

The Politics Of Privatisation And Its Impact On People

Loot of National Assets, National Resources & Public Funds



Abhimanyu

12250
CPHE-
CLIC

SOCHARA

Community Health

Library and Information Centre (CLIC)

Centre for Public Health and Equity

No. 27, 1st Floor, 6th Cross, 1st Main,
1st Block, Koramangala, Bengaluru - 34

Tel : 080 - 41280009

email : clic@sochara.org / cphe@sochara.org

www.sochara.org

Donated by Fr. John Vattamattom on Dec. 2009

Globalisation, Liberalization
↳ privatis

The Politics Of Privatisation And Its Impact On People

Loot of National Resources, National Assets and Public Funds

ABHIMANYU

Publication: January 1999
NO.OF. COPIES: 2000

Price Rs: 35.00

**Printed at: YUGANDHAR OFFSET PRINTERS,
VIJAYAWADA-3.**

For Copies:

**(1) Prajasakti Book House
VIJAYAWADA, HYDERABAD, VISAKHAPATNAM,
TIRUPATI, KHAMMAM, HANUMAKONDA**

**(2) National Book Centre
A.K. Gopalan Bhavan,
27-29, Bhai Virsingh Marg,
NEW DELHI - 110 001.**

**(3) National Book Agency PVT. Ltd.,
12, Bankim Chattarjee St.,
CALCUTTA - 700 073.**

GI-100
12238 N99

C O N T E N T S

Introduction of Economic Reforms	5
The Politics of Capitalism	7
Liberalisation of Corruption Under Globalisation	26
Loot of National Resources, National Assets and Public Funds through Privatisation	37
- Role of Media	40
- Role of Congress (I)	46
- Role of BJP	53
- The Unaccountable Loot	59
- Fraud on Small Investors	63
The Impact of Privatisation on People	67
- Impact on prices of	
essential commodities and services	70
- Impact on jobs, incomes and living standards	74
- Impact on transport services	78
- Impact on public health services	80
- Impact on education	84
- Impact on social life and law and order	86
Deception by the Capitalist Theoreticians	89
The Need for Judicial Democracy	97
The Future is Socialism	104

The Politics Of Privatisation And Its Impact On People

Introduction of Economic Reforms

Ever since human civilisation started, "survival of the fittest" became the rule of law, politically. After money replaced barter system, possession of money became the criterion of "fitness". Money got accumulated in the hands of those who could dispossess, exploit or cheat others. The political power, thereafter, slowly but steadily passed into the hands of those who possessed money power (viz., rich people or capitalists) who could control material resources and purchase muscle power with money power. Consequently man-created-money has become more powerful than man himself under the capitalist rule.

The capitalist system in which only money has value vis-a-vis human being, could not solve the basic necessities of people for food, shelter, clothing etc. Human values were suppressed and human rights were violated under the rule by the rich class viz., "Capitalist class". These evils and defects in capitalist system led to new thinking. Karl Marx evolved the scientific theory of history which envisaged inevitability of emergence of a socio-economic-political system ensuring equality and dignity of human being.

While the capitalist system was designed for use of all material resources, assets and funds for the benefit of a few monopolistic rich people, the socialist system envisaged by Marxism called for use of all material resources and means of production for the welfare of all people in terms of food, clothing, housing, education, health, employment, old-age protection etc.

Today, the capitalist class (landlords, industrialists, and big

businessmen) the world over is united and evolved itself into the capitalist-imperialist complex encompassing the ruling classes in under-developed third world capitalist countries and the advanced western imperialist countries. This capitalist-imperialist complex formed the World Bank, International Monetary Fund, World Trade Organisation (formerly GATT) and several other institutions to complement and strengthen the capitalist rule; and to prevent socialist transformation, all over the world.

Over the years, a few Multi National Corporations (MNCs) emerged in all capitalist countries as a result of "unequal competition with money power" which turned into "monopoly". For example, William Gates, the owner of American MNC Microsoft possesses assets worth US \$ 61.7 billion (equal to Rs. 2,56,200 crores).

Today there are 457 billionaires in the world who in their hands possess wealth equivalent to the Gross Domestic Product (GDP) of half of the countries on the Planet Earth. The world's 225 richest people have a combined wealth of over US \$ one trillion (Rs. 42,00,000 crores) which is equal to the income of 250 crore poor people in the world. In India, the Tatas reportedly possess Rs. 37,510 crores, the Birlas Rs. 19,497 crores and the Reliance Group Rs. 19,345 crores of assets.

The MNCs all over the world wield tremendous political power as they generously donate and influence the capitalist political parties.

In pursuance of the objective of strengthening capitalism and defeating socialism and at the instance of MNCs, a strategy had been worked out by the capitalist-imperialist complex in the early 1980s. Initially, the strategy was known as "Thatcherism" and "Reagonomics".

After causing set back to socialism and disintegration of Soviet Union, the world capitalist forces accelerated the drive for capitalist consolidation.

Under the strategy, attractively termed as "Economic Reforms", "Globalisation" and "Liberalisation", the National Resources, National Assets and Public Funds in every country which have earlier been created under the influence or pressure of socialist ideology are designed to be privatised and handed over on a massive scale to a few Multi-National Companies (MNCs) who already control the capitalist Governments in a number of countries including the United States of America and India.

The Politics Of Capitalism

The capitalist-imperialist complex dominated by Multi National Corporations (MNCs) needed certain political parties, as a mask to retain political power in their own hands as also to keep the people in good humour under the guise of "Democracy". Accordingly, political parties headed by pro-capitalist leaders have been formed or the pro-capitalist individuals have been propped up to capture important positions of power, in all capitalist countries. The capitalist-imperialist complex adopted several strategies and tricks such as "Two-Party System" and fragmentation of society to protect capitalism and prevent socialist transformation. Several undemocratic practices are also used under the guise of democracy. The Media owned by the capitalist-imperialist complex play an important role in the above polemics.

Similarity of the practices and patterns in all capitalist countries and the literature available on Statecraft, make the following strategies, a reality.

The Politics of Two-Party System

In the name of "Democracy", a trick is played on the people of all capitalist countries. As a strategy, the capitalist class cleverly props up two capitalist political parties based on the principle: "Do not keep all your eggs in one basket". Under the Two-Party System,

both political parties ideologically follow the same policies to consolidate capitalist system and prevent socialism. They secretly cooperate and coordinate with each other. If one capitalist political party implements the pro-rich policies and gets discredited, then the other capitalist party is propped up in the vision of the people to be the alternative, by the capitalist imperialist complex through the media owned by them; and the people dutifully vote for the other capitalist political party. This "Heads I win - Tails you lose" deception in the name of democracy continues through the Two Party System in all capitalist countries.

The capitalist theoreticians, depending upon the situation obtaining in country to country, allow communist parties (representing socialism) also to function in their respective countries for strategic reasons only to tie them up in umpteen knots so that they can never become "alternative" at National level - the real seat of power. History reveals that even if the Communists came to power through elections at National level in exceptional cases, they were destablised within no time. The capitalists use their Media extensively for this purpose.

The capitalist media implement the trick of "Two-Party System" with great precision by projecting Republicans and Democrats as alternative to each other in the USA; and the Conservatives and the Labour as alternatives to each other in the UK. Over the years, however, the people in America and other European countries are losing faith in the "democracy" where there is no choice to elect a different ideology. Consequently, around 25% of eligible voters only exercise their franchise in America.

In the case of Indian capitalism, the Congress Party formed by British National A.O. Hume on behalf of the Indian capitalist class in 1885, enjoyed monopoly of power till 1977. In order to fill the vacuum of "capitalist alternative" thereafter, the capitalist class in India has adopted the Bharatiya Janata Party (BJP) - the political wing of Hindu fundamentalist Rastriya Swayamsevak Sangh (RSS) - as the choice. The capitalist media worked overtime to project BJP as the alternative to Congress (I) ever since the party was formed in 1980 after the break-up of Janata Party.

Even though the communist parties viz., Communist Party of India (Marxist) (CPI-M) and Communist Party of India (CPI) who formed Left Front alongwith Forward Bloc and Revolutionary So-

cialist Party (RSP) were having more seats and strength than the BJP after 1984 Parliamentary elections, the Communist Parties were never projected as an "alternative" before the people by the capitalist media as per the strategy of Two-Party System of capitalist democracy. The BJP had only two seats as against 22 seats held by the CPI(M) after 1984 Parliamentary elections.

The Indian capitalist "alternatives" viz., Congress (I) and BJP have been cooperating and coordinating with each other, although they oppose each other outwardly. Together, they try to prevent communists from becoming the alternative. There are a number of instances.

In 1959, the Congress Government at the Centre headed by Pandit Jawaharlal Nehru dismissed the democratically elected Communist Government headed by EMS Namboodiripad in Kerala even while the Chief Minister was enjoying a majority support in the Assembly. Later, speaking in Parliament, Jawaharlal Nehru stated that Congress Party would not hesitate to join hands with Jan Sangh (present BJP) to prevent communists from coming to power. This policy of cooperation between Congress (I) and BJP against communist parties is being followed ever since and every where.

Wherever the Left Parties are strong, the Congress (I) and BJP join hands. In West Bengal where the CPI(M)-led Left Front is in power, the Congress (I) left around 20,000 seats out of 70,000 for the BJP in several panchayat elections to make a strategic alliance against against CPI(M) and other Left Parties. Many Congress(I) leaders joined the BJP in West Bengal. In the 1998 elections, the Congress (I) fraction of Mamata Banerjee and BJP joined hands against the CPI(M)-led Left Front.

In West Bengal, Kerala and Tripura, the BJP never contests the election seriously but always supports or transfers its vote to the Congress (I) against the ruling CPI(M).

In Kerala and Assam, the Congress (I), BJP and even the Muslim League joined hands against the communists on several occasions. In Uttar Pradesh, Rajasthan, Madhya Pradesh, Bihar and several other States, there are many instances where the Congress (I) and BJP joined hands in the constituencies where the CPI(M) and CPI have strong influence. In Faizabad, Ayodhya and other places in Uttar Pradesh, the Congress (I) and BJP always joined hands in elections against the formidable CPI-CPM candidates.

In DUTA and JNU elections in Delhi, where the Leftists are

a strong force, the teachers' and students' fronts of Congress (I) and BJP always join hands to defeat the organisations of CPI(M).

There are so many examples where the breakaway groups or smaller parties owing allegiance to capitalism, align with either Congress (I) or BJP to sustain the Two Party System of capitalism.

Large sections of Congress (I), BSP and Janata Dal joined the BJP Government in Uttar Pradesh in October 1997 to share power, while they opposed each other at the time of elections.

The Bahujan Samaj Party (BSP) which created a "vote-bank" of Dalits for itself, attacks the BJP and Congress (I) before the elections but aligns with them after elections.

In Gujarat the break away BJP (Vaghela Group) was supported by Congress (I) to form the Government.

In Haryana, the break away Congress (I) (Bansi Lal) is supported by BJP. Both Bansi Lal and Devi Lal who opposed each other in Haryana, together supported the BJP Government at the Centre.

In 1984 Parliamentary elections, the RSS fully supported the Congress (I) despite the fact that some of its leaders were involved in the anti-Sikh riots. Some reports appeared that even BJP cadres were involved in the anti-Sikh riots in 1984. Later the BJP campaigned for dismissal of Akali Dal (Barnala) Government in Punjab. In 1993, one section of BJP in Punjab joined the Congress (I). But in 1998, the Akali Dal supported the BJP Government at the Centre.

In Maharashtra two Shiv Sena MPs led by Shiv Sena strongman Bhujbal, joined the Congress (I).

In Tamil Nadu, the pro-Congress(I) AIADMK became a partner of the BJP-led Government at the Centre in 1998.

In Himachal Pradesh Pandit Sukh Ram of Congress (I) helped the BJP to form Government after 1998 State Assembly elections.

In Karnataka, Mysore Maharaja joined BJP from Congress (I) and helped the party to grow.

Dr. J.K. Jain prepared several publicity materials for Congress (I) during 1991 and 1996 elections even while he was a BJP MP.

The above examples reveal that all the capitalist parties - big and small - opportunistically align with each other to sustain the Two Party System of capitalism. All of them always oppose the

Communist parties.

After dissolution of Lok Sabha in December 1997, a large chunk of capitalist politicians belonging to Congress (I), Janata Dal, and regional parties such as George Fernandes, Mamata Banerjee, Ajit Panja, PR Kumaramangalam, Jayalalitha, Hegde, Navcen Patnaik, Parkash Singh Badal, Bansi Lal, Devi Lal, joined the BJP bandwagon in order to consolidate the other capitalist "alternative".

The mass defections from Congress (I) to BJP have made BJP a "clone" of Congress (I), but not an alternative.

The Media especially the Press plays a major role in people accepting and electing one or the other capitalist political parties, to make the Two Party System a success in all capitalist countries including India.

The Politics of 'Divide and Rule'

While implementing the pro-capitalist policies since 1946 and initiating the long term privatisation policy from early 1980s that caused unemployment and price rise, the Congress (I) became totally discredited amongst the people. However, because of the "timely assassination" of Indira Gandhi just before the 1984 Parliamentary elections, the Congress (I) could win a record majority on an anti-Sikh "sympathy vote".

Again by 1986, on issues like corruption, unemployment and price rise, the Congress (I) Government lost its credibility. These developments prompted the need to prop up the official opposition BJP and to prevent communist parties from becoming an "alternative" in the vision of the people as the latter were having more seats than the BJP in Parliament, after the 1984 elections. Fragmentation of the society also simultaneously became a need of the hour to divert the attention of the people from the evils of capitalist development and the privatisation programme that was about to be started.

At this juncture, i.e. in 1986, an American "Foundation" had reportedly recommended reinforcement of the strategies of "divide and rule". The politics of the country took a definite negative turn, thereafter, as could be seen from the events that followed.

While miseries of the people have been increasing due to price rise, unemployment, underemployment, retrenchment etc., the capitalist-imperialist complex intensified the fragmentation of people on the basis of religion, caste, sub-caste, region etc. These tactics made the people hate, fight and kill each other on the one hand and created vote-banks for the capitalist political parties, on the other. In the process, the attention of people has been diverted from the burning economic problems.

The main capitalist political parties openly started using religions, castes and sub-castes in politics from 1986 onwards. Further, several smaller political parties were formed in the aftermath of 1986 to cut into the support base of Communist parties, to weaken them. Religion, caste and money power have been made the criteria to win elections. A sort of vote-bank democracy has been established.

Huge funds started flowing into the hands of secessionists, terrorists and some Non-Governmental Organisations (NGOs) for indulging in disruptive and divisive political activities with the covert or overt support of the Congress (I) Government. Many separatist and insurgency movements like GNLF, TNV, ULFA started receiving funds and arms to create divisions and hatred amongst people.

The capitalist-imperialist complex also started encouraging and funding several "god men" to inject insensitivity among people towards the evils of capitalist system. Christian Missionaries of Charity started preaching that "poverty is a gift of God".

Above all, the Babri Masjid controversy was used by the Congress (I)-BJP nexus to divide the Hindus and Muslims. As per the strategy, the BJP with a view to present itself as the alternative to Congress(I), to divert the attention of the people from burning economic problems and to create a Hindu "vote-bank" for itself, picked up the 37-year old religious controversy over Babri Masjid. The media began projecting the Babri Masjid-Ramjanmabhoomi issue, out of proportion from 1986 onwards by publishing front page headline news items.

The Babri Masjid controversy is frivolous in its character and has no relation with the well-being of people - even the Hindus. It is a religious dispute, created by some Hindu zealots.

In the wake of communal riots in 1949 after Partition, the

then District Magistrate of Ayodhya (Faizabad) clandestinely got the idols of "Ram" placed within the Babri Masjid premises during night time and passed orders the next day banning prayers at the "disputed place". Ever since the Muslims were following the court orders and the entire premises remained "locked" and a "disputed place".

The RSS alongwith its political front BJP and religious fronts Vishwa Hindu Parishad (VHP) and Bajrang Dal - together known as Sangh Parivar - propagated the story after 1986, that a Ram Mandir existed below the structure of Babri Masjid. They wanted demolition of Babri Masjid and construction of a Ram Temple in its place. The BJP played with the religious sentiments of large sections of the people.

In its design to create hatred against Muslims and to create a vote-bank of Hindus for itself, the BJP accused all political parties of "appeasing the Muslims in order to get their votes". How can all the political parties be so foolish as to share the few votes of minorities? The media never raised this question but at the same time became a tool of propaganda on behalf of BJP. The BJP started seeking votes in the name of "RAM". Large sections of people, especially the middle class, started supporting the BJP.

Sangh Parivar Or Raakshas Parivar

No religion in the world has ever preached violence or hatred against other communities or religions. But the Sangh Parivar, in the name of representing Hindu religion, openly preached hatred against Muslims which very often resulted in violence.

The BJP and its Sangh Parivar have openly violated the Constitution of India by disturbing the "Fraternity" of the Indian people and resorting to "incitement to an offence" over Babri Masjid issue. They openly defied the judiciary of the country.

The BJP took out a "Rath Yatra" in 1989 with the sole aim of inciting Hindus against Muslims over Babri Masjid-Ramjanmabhoomi controversy which has nothing to do with the present day politics or lives of the people. If construction of RAM TEMPLE was the real intention of Sangh Parivar, then there was no need of taking out a Rath Yatra. But the intention was to create hatred against Muslims and take political advantage of such ha-

tered. The Sangh Parivar advanced arguments against Muslims on Article 370, Uniform Civil Code etc., which do not stand the test of truth. The media on its part suppressed all information about the truth and projected the view points of BJP leaders only more prominently.

Article 370 was included in the Constitution of India keeping in view the peculiar situation in Jammu & Kashmir and that situation has not changed even today. Similarly, how can there be uniform civil code when there is no uniformity within even the Hindus and when there are vast disparities amongst the people in social and economic conditions.

The inflammatory and provocative speeches made by leaders of Sangh Parivar like LK Advani, Sadhvi Rithambara, Ashok Singhal and Uma Bharti in the wake of Rath Yatra and later, ignited the emotions of people and caused communal riots along the path of Rath Yatra and elsewhere during 1989 and 1990.

COMMUNAL CLASHES CLAIMED 700 LIVES

New Delhi, March 5 (PTI) : Nearly 700 people were killed in various communal incidents in the country last year, the Rajya Sabha was told today.

Hyderabad was the worst hit, the number of killings in the city being 130. This was followed by Aligarh with 112 killings, Minister of State for Home Subodh Kant said in a written reply.

He said communal violence had claimed more than 600 lives in the country during 1989.

(Courtesy : The Hindustan Times - 6.3.1991) *

* (Extracts of news items relevant to the topic are reproduced.)

Thus the Sangh Parivar caused the death of 600 people in 1989 and 700 people in 1990, which in Hindu philosophy is a Devilish act (Raakshasatva).

The BJP's communal poison has created problems for Hindus in other countries.

HUNDREDS OF HINDUS FLEE SINDH

New Delhi, April 3 (UNI) : Hundreds of Hindu families are fleeing to India from Sindh in Pakistan complaining that the provincial Government has failed to protect their lives and property.

According to the 1981 census, Sindh has a population of more than 1.2 million Hindus. The Frontier Post pointed out that they had refused to leave their soil in the worst hour of trial following partition in 1947.

(Courtesy : The Hindustan Times - 4.4.1991)

After taking out Rath Yatra and inciting the people through unprecedented media propaganda, the BJP-RSS-VHP-Bajrang Dal family and their fraternal party Shiv Sena together demolished the "disputed place" Babri Masjid on 6.12.92 with the total connivance of the Congress (I) Government at the Centre. The incident was not allowed to be filmed by anybody and photographers were mercilessly beaten up by Sangh Parivar activists. While the Sangh Parivar - Shiv Sena cadres started demolishing the "disputed place" (Babri Masjid) from 10.00 AM onwards till 5.00 PM on 6.12.92 and constructed a make-shift Ram temple by 3.00 AM the next day, the Congress (I) Government at the Centre inspite of advance information about the impending demolition, argued that Army could not reach the place to prevent the vandalism because of "road blocks".

If Indian Army took 17 hours to reach Ayodhya, how long it would have taken to reach frontiers in case of foreign aggression? There is no need of any other evidence to prove the collusion of Congress (I) and BJP in demolition of Babri Masjid in order to divide the people on religious basis and make them hate, fight and kill each other. The complicity of Congress (I) and BJP on Babri Masjid controversy is very clear if one looks at the way the "disputed" premises were unlocked in 1986 by the Rajiv Gandhi Government. Further in 1989 the Congress (I) Government allowed "shilanyas" at the disputed site and the Supreme Court refused to ban the same inspite of the case being sub-judice. The media contributed by giving day-to-day headlines publicity and thus

igniting the emotions of people especially in a prejudiced society.

On the other hand, a documentary "Ram Ke Naam", by Anand Patwardhan which depicted the politics behind the Babri Masjid - Ramjanmabhoomi controversy, was not allowed to be screened by the Sangh Parivar and Shiv Sena in Bombay, Delhi and other places. The audience were roughed up. The Congress (I) Governments both at the Centre and in Maharashtra did not intervene. Further, Baba Lal Dass, the Head Priest of Ram Mandir in Ayodhya, who always opposed politicisation of Ayodhya issue, was found murdered under mysterious circumstances. The media suppressed a lot of information on these aspects.

As a result of BJP's communal propaganda, the situation in Kashmir being a Muslim dominated area became aggravated especially after demolition of Babri Masjid. Many innocents are being killed or thrown out of their homes from Kashmir for which BJP's religious bigotry was the root cause.

The RSS, its political front BJP (formerly Bharatiya Jana Sangh) and their partner Shiv Sena have been indicted by Judicial Commissions of Inquiry into communal riots on various occasions. These are the Justice P. Jaganmohan Reddy Commission of Inquiry into the Ahmedabad riots of 1969; the Justice D.P. Madon Commission on the Bhiwandi, Mahad and Jalgaon riots of 1970; the Justice Vithayathil Commission on the Tellicherry riots of 1971; the Justice Jitendera Narain Commission on the Jamshedpur riots of 1979; the Justice P. Venugopal Commission on the Kanyakumari riots of 1982; and Justice P.S. Mavlankar Commission on Nashik and Umapur riots in Maharashtra in 1986.

On several other communal riots, Commissions of Inquiry have never been appointed by the Congress Governments to suppress the truth and protect the Sangh Parivar. The Congress (I) itself was involved in worst ever anti-Sikh riots in 1984 in which over 2,800 people were killed in Delhi alone in a single night.

During the last 50 years, communal riots broke out more than 10,000 times in several parts of the country in which thousands of people were killed and lakhs were rendered homeless. In all the above communal disturbances, the Congress (I) protected the Sangh Parivar and the Sangh Parivar supported the Congress (I) wherever the need arose.

The Srikrishna Commission of Inquiry into Bombay riots in

1992-93 in which over 900 people were killed and lakhs rendered homeless again indicted the Sangh Parivar and the Shiv Sena for their involvement. About Rs. 4,000 crores worth property was reportedly destroyed during the 1992-93 Bombay riots alone.

The Kerala High Court and the Supreme Court, in their judgments on "Ban on Bandhs" held that "The State cannot shirk its responsibility of taking steps to recoup and of recouping the loss from the sponsors and organisers of such bandhs. We think, that these aspects justify our intervention under Article 226 of the Constitution". But in the case of sponsors and organisers of communal riots indicted above, the Hon. Judiciary does not talk about recouping of loss of life and property under Article 226 of the Constitution.

Thus "Hindutva" has become a way of life for Sangh Parivar (or Raakshas Parivar) to cause killings of thousands of people through preaching of hatred; destruction of public properties; rendering lakhs of people homeless; burning books considered holy by others; and demolishing places of worship considered sacred by others. These devilish acts are not what are taught in Vedas and Upanishads of Hinduism over which the Sangh Parivar claims mastery. The Sangh Parivar and the Shiv Sena thus fraudulently claim that they represent Hinduism. Obviously they represent Hinduism to secure a vote-bank.

The Sangh Parivar - Shiv Sena gang up is continuing its efforts to divide the people on communal lines as per the politics of capitalism. Besides anti-Muslim riots in 1989 and 1990 in the wake of Advani's Rath Yatra and the 1992 and 1993 riots in the wake of demolition of Babri Masjid, the caste-communal riots continue at Mumbai, Coimbatore, Ahmedabad, Jamshedpur, Rourkela, Bangalore, Hyderabad, Moradabad, Biharsherif, Bhagalpur, Surat, Bhiwandi, Chittorgarh, Jaipur, Meerut, Aligarh, Ajmer and so on in a geographically strategic manner to create hatred and divisions amongst people on an even spread.

Now, the Sangh Parivar is targetting the minority Christian community in order to whip up anti-Christian feelings amongst majority Hindus and thus create a vote-bank for BJP in the years to come. The Bible has been publicly burnt by the Bajrang Dal (Sangh Parivar) activists in (Rajkot) Gujarat. Christian Homes and institutions were attacked in Gujarat, Uttar Pradesh, West Bengal, Haryana, Bihar, Maharashtra, Punjab and Rajasthan in a system-

atic manner by the activists of Sangh Parivar. Christian Nuns were raped in Madhya Pradesh and the same was justified by the Vishwa Hindu Parishad; Christian Statue was desecrated in Delhi; Christian tracts were burnt in Rajkot and graves forcibly exhumed in Gujarat.

The Sangh Parivar has been propagating the fear psychosis that the Christians are resorting to conversion of Hindus. If Hindus are converting themselves into Christians, then it reveals that the Hindu religion has some drawbacks such as social discrimination, economic insecurity, untouchability and dowry system which need to be corrected. However, even after centuries of Moghul and British rule, if Hindus could not be converted, how can such a thing be possible now? These view points are not allowed by the media to be known to the people.

Without condemning or stopping the above attacks on Christians, Prime Minister Atal Behari Vajpayee says that there should be a 'National Debate' on conversions. It is obvious that the strategy of Sangh Parivar is to widen and deepen the controversy to effect division of people on religious basis and create a vote-bank.

The Sangh Parivar and its partner Shiv Sena continue to campaign against poor Bangladeshis in India in order to incite the feelings against Muslims. But these hypocrites do not talk about Dalai Lama and his rich Tibetan followers who live as parasites on India and conduct political activities against China in contravention of the principles of "Panch Sheel".

In addition to the above, the capitalist political parties in India are also encouraging caste, sub-caste, region and language divisions in order to make people hate and fight with each other. The BJP's tactics of New States, Saraswati Vandana etc., are all part of the capitalist politics of "divide and rule".

Media's Manipulations

Kunhanandan Nair, in his book 'Devil and His Dart' - p.40 - (Sterling Publishers, Delhi) says that the American Intelligence Agency - CIA - owns or funds many newspapers, news services, radio stations, magazines and other communication media.

Today, the Media (electronic as well as print media) including English newspapers like The Hindustan Times, The Times of

India, The Indian Express, the The Hindu and The Statesman, the Hindi newspapers, the regional language newspapers, are in the hands of Indian Multi National Companies like Tatas, Birlas and Goenkas. The Indian capitalist media have strong links with their foreign counterparts.

The entire capitalist media conduct unbridled anti-communist propaganda. They distort or censor or black out the news and views of the communist parties, very often. This disinformation campaign gives the impression to the general public that the communist parties are weak or irrelevant. *

The media do not conduct debate on problems faced by people with regard to depth and width of blatant corruption at various levels; sources of adulteration, hoarding, blackmarketing and price rise; unemployment and underemployment; problems of women and youth; diseases like TB, Malaria and Jaundice that afflict vast sections and serious distortions in all walks of life.

The media cover and debate only non-issues and create controversies over castes, religious disputes, Saraswati Vandana, Ayodhya, Vande Mataram, Vananchal etc., from time to time to suit the politics of capitalism. They cover rapes, corruption, murders, suicides, crimes etc., and sensationalise the issues but never attribute the same to capitalist system. The media do take up serious issues also but cover them inadequately on the plea of lack of time and space.

The Doordarshan does not raise the thinking processes of the people but telecasts many serials and programmes depicting obscurantism, fatalism and superstition bordering stupidity. The private electronic media portray overdose of universally appealing sex and thus divert the attention of the people especially the youth.

Above all, the media publish or broadcast public opinion polls before elections to influence the people to choose between Congress (I) and BJP or their allies like TDP, Trinamul Congress, AIADMK, Akali Dal, BSP Etc.

Accordingly, as the Congress (I) got totally discredited with the people, the BJP was propped up by the Media as the alternative.

* **"Politics of the Press" by S.R. Bhandaru, Prajasakti Book House, Vijayawada-520002.**

during the 1996 and 1998 Parliamentary elections. Many stories were planted to present BJP as the impending "Ruling Party" and Atal Behari Vajpayee as the "Man India Awaits", "Prime Minister-in-waiting" etc. Many public opinion polls were published or broadcast in favour of BJP to manipulate and influence the public opinion. Finally the Media moulded the public opinion in such a way that the anti-Congres (I) vote shifted to the BJP.

The Undemocratic Democracy

The 1991 Lok Sabha elections are the watershed of undemocratic practices of capitalist politics.

The first phase of elections was held on 20.5.91 and the second phase was scheduled to be held on 22.5.91. According to the analysis of exit poll of the first phase of elections held on 20.5.91, it was neither the BJP nor Congress (I) but the third alternative viz., National Front alongwith its "natural allies" Left Front that were emerging strongly. The super-computers analysed and predicted that in the first phase of elections held on 20.5.91, the NF-LF would bag 77 seats, the Congress (I) 49 seats and the BJP 66 seats out of the 199 seats. The BJP was not emerging as alternative to Congress (I) nor Congress (I) was winning. The National Front-Left Front alliance in which the communists formed a big part, could not be allowed to emerge as an "alternative" at the National level as per the politics of capitalism.

The next phase of elections was fixed for 22.5.91 and polling was to start at 7.00 AM. Something was required urgently to save capitalism and also to push through the privatisation programme in India. The chain of events that followed were dramatic.

Just 9 hours before the next phase of Parliamentary elections was to start, Rajiv Gandhi's assassination took place on 21.5.91 at 10.20 PM at Sriperambudur near Madras.

The then Chief Election Commissioner TN Seshan claimed that he came to know about Rajiv Gandhi's assassination by about 10.40 PM (i.e. within 20 minutes) from one his friends in USA over phone, even while there was utter confusion at Sriperambudur.

Within another few minutes on 21.5.91 itself, and without consulting important constitutional authorities, TN Seshan passed orders postponing elections scheduled to start at 7.00 AM on

22.5.91. The circumstances, timing and the reasons for the postponement of elections are still a mystery. For the capitalist media, the subject remains a taboo.

After postponement of elections by three weeks to June 1991, the Congress (I) leaders started taking the Urns containing Rajiv Gandhi's ashes to each and every constituency where elections were to be held, and arranged mass feasts for voters ranging from 50,000 and above. Simultaneously, the capitalist media especially the Press worked over time to generate sympathy wave in favour of Congress (I) over the assassination of Rajiv Gandhi. Public opinion polls favouring Congress (I) were published prominently by the big newspapers in order to influence and manipulate the public opinion.

The so-called champion of free and fair elections and the then Chief Election Commissioner TN Seshan turned a blind eye to all these unfair election practices. The net result was as follows:

	Seats for which elections held	Seats won by Congress(I)
Before assassination of Rajiv Gandhi	196	50
After assassination	294	170
	-----	-----
Total	490	220
	-----	-----

In the first phase of elections held on 20.5.91, out of 196 seats, the NF-LF got 91 seats against the exit poll prediction of 77 seats. The Left Front of communists alone got 44 seats out of 91.

The timely assassination of Rajiv Gandhi in the midst of elections, the capitalist media and the money power have thus been able to instal a Congress (I) Government in 1991 by resorting to the unethical and undemocratic practices.

The Congress (I) Government could cobble up a majority by purchasing several MPs to augment implementation of privatisation policies under the attractive slogans of economic reforms, globalisation and liberalisation.

During the last seven and a half years beginning May 1991, the enquiry on the conspiracy angle of assassination of Rajiv Gandhi did not make any progress; the Congress (I) Government and some bureaucrats were not willing to submit some important documents to the Enquiry Commission; some crucial files were found missing; the terms of reference of the Enquiry were "truncated and restricted"; and the behaviour of VIPs like Chandraswamy, Subramaniam Swamy and TN Seshan remained a mystery. Later on some reports appeared that the Indian intelligence agencies intercepted some messages from CIA and Mossad (Israeli intelligence agency) meant for Chandraswamy and Subramaniam Swamy during that period. The details are a well guarded "secret".

The Jain Commission recorded that Subramaniam Swamy and TN Seshan refused to answer important questions posed to them regarding the assassination of Rajiv Gandhi.

One important witness in the Rajiv Gandhi assassination case was found to have been killed even amidst tight security in Tamil Nadu. While this man's body was found hanging from a tree with legs remaining on the ground, the doctor declared it to be a case of suicide. From where did the accused get the rope at that odd hour, after escaping from police custody still remains another riddle.

The irony is that two Indian Prime Ministers were assassinated around the time of general elections; the hearings were held totally "in camera"; and the capitalist system does not allow the people to know as to who actually conspired to kill both of them. Mrs. Sonia Gandhi herself never seemed to be interested in unravelling the mysteries.

In any case the people voted for Congress (I) in 1984 and 1991 elections in sympathy with the assassinations of Indira Gandhi and Rajiv Gandhi but on both occasions that mandate has been (mis)used by the Congress (I) to enforce privatisation of economic resources of the country. Therefore, implementation of economic reforms lacks peoples' mandate or democratic credentials.

The then Chief Election Commissioner Seshan repeated his manipulative role in 1996 elections also. In spite of repeated requests by all parties (except Congress (I)), to hold the elections in February or March 1996, Seshan fixed the elections in hot summer of May to make it difficult for the parties to contact the voters

directly. Further, Seshan banned wall writings and posters on the pretext that it would give a dirty look and placed several other restrictions. (Such restrictions on posters etc., are also prevalent in other capitalist countries like Phillippines, especially where communists are a strong opposition).

These restrictions gave indirect advantage to Congress (I) and BJP who enjoyed publicity through the Media owned by their mentors. The dirty practices of leaders of capitalist parties in several corruption cases could not be propagated by the Left Parties even during an election.

The contradiction is that even very small businessmen are always allowed to publicise about their goods and services in the dirtiest ways possible but the communist parties are not allowed to inform the people about the issues confronting the Nation through posters, wall writings etc., even at the time of elections. Thus, the only possible and cheaper communication channel between the Communist Parties and the people is broken, very cleverly.

The media helped the process of one-sided propaganda by projecting the Congress (I) and BJP as "alternatives" to each other without raising issues like corruption, price rise, unemployment etc. The people did not even know which parties other than Congress (I) and BJP were contesting and who were their candidates. Thus Seshan's manipulations in 1996 Lok Sabha elections gave distinct advantage to the BJP and Congress (I), the well-established parties representing capitalism. The restrictions continued in 1998 Parliamentary elections also.

It is true that Seshan instilled courage in rural people to go to polling booths and tried to punish those responsible for booth capturing - but only selectively. Had Seshan been really interested in reducing the role of money and muscle power in elections, he would have fought for at least partial proportional representation. Seshan never raised his voice against media's manipulations and influencing of public opinion with biased coverage in favour of Congress (I) and BJP at the time of elections.

The "Timely Bomb Blasts"

The "timely bomb blasts" in Coimbatore, allegedly targetting BJP leader LK Advani reportedly organised by Muslim fundamentalists; the "timely communal riots" that followed immediately i.e. just before the the 1998 Parliamentary elections, and the manipulated media propaganda fetched 30 seats for the BJP alliance from Tamil Nadu. If LK Advani was the target as alleged, why the blasts were organised at so many places and not at one place and how could the communal riots break out so quickly? These questions remain unanswered.

"Timely bomb blasts" were also organised in Mumbai at three places on 22.2.98 i.e. just a day before the elections which gave immense benefit to BJP-Shiv Sena combine in Mumbai.

The anti-Muslim mass hysteria created by the BJP through Media propaganda coupled with money power, and negative voting against Congress (I)'s economic policies, helped the BJP to increase its tally from two seats in 1984 to 181 seats in the 1998 elections, to become the largest single party, but still short of a majority. Therefore, the leaders of all capitalist parties including TDP and Congress (I) directly or indirectly, helped the BJP to form Government at the Centre.

In any case, the criminals who neither obeyed the Constitution of India nor respected the Judiciary in their anti-minority crusade and being responsible for innumerable communal riots to create their own vote-banks, became the rulers of India over the graveyards of thousands of poor people.

Because of the above tactics of "Two Party System", communal politics, Media's manipulations and other undemocratic practices of the capitalist-imperialist complex, the people in all capitalist countries including India are debarred from their democratic right to choose the real "Socialistic pattern of society". The innocent people are forced to choose between one capitalist party and another capitalist alternative. The governance, thus, remains firmly for the rich, of the rich and by the rich.

Because of the "divide and rule" politics of BJP and Congress (I), large sections of Indian people today are engrossed in hating and fighting each other on the basis of religion, caste, sub-caste, region

or language, while their miseries are aggravated by the privatisation politics aimed at loot of National resources, National assets and public funds.

However, a proper analyses of recent political history will reveal that while the people defeated the Congress (I) for its pro-capitalist economic policies, they have also defeated the BJP for the same reasons despite the vote-bank politics of the latter. That communal hatred was not the main concern of the people and that BJP's economic policies too are not acceptable to them can be observed by the fact that the ruling BJP was defeated in three out of four States in 1993 elections i.e. after Babri Masjid was demolished in December 1992. However, in 1996 and 1998 Parliamentary elections, the BJP being in opposition, cornered the negative vote and thus increased its tally.

The BJP's tactics to rouse the patriotism or sub-Nationalism over nuclear tests, Saraswati Vandana, Vande Mataram etc., and thus divert attention from more serious problems like escalating prices, unemployment, illiteracy, deteriorating health and educational facilities, did not succeed as could be seen from the results of November 1998 State Assembly elections. The BJP lost credibility within eight months of assuming power at the Centre and was comprehensively defeated in the elections to the States of Madhya Pradesh, Rajasthan and Delhi. This time, the anti-BJP vote shifted to the other capitalist alternative Congress (I), rather unwillingly but as guided by the Media.

Given the democratic choice, the Indian people are for a "socialist alternative" even as they are shuttling between Congress (I) and BJP or their allies.

Liberalisation Of Corruption Under Globalisation

Under capitalist economic conditions of "private enterprise" and "profitism", Man became "selfish" and "greedy". This is the origin of corruption. In other words, profitism associated with capitalism breeds corruption and in turn corruption strengthens capitalism. Capitalism and corruption are, therefore, synonymous with each other.

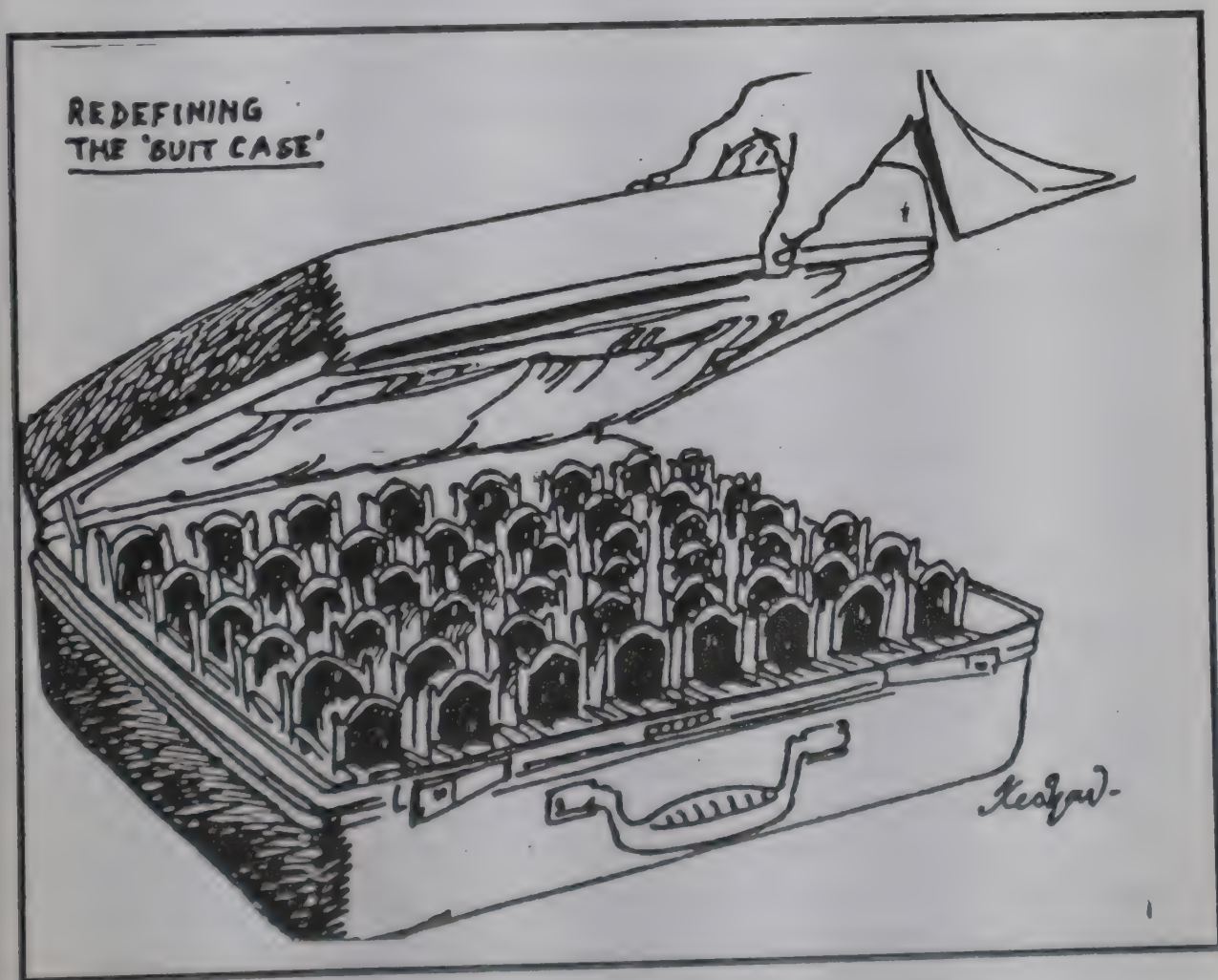
The election system under capitalism is intrinsically linked with money power and leads to corruption at various levels. According to a former Secretary of Election Commission, K. Ganesan, the minimum expenditure for contesting a Lok Sabha seat, as a serious candidate at 1984-85 prices was about Rs. 5,85,000. At current prices it would be anything above Rs. 50,00,000.

The scramble for power leads to further corruption under capitalist system. In order to get power by hook or crook, the capitalist political parties and their leaders resort to all types of political corruption.

For instance, many industrial houses in India together have brought out an eight-page special colour supplement on 25.12.97 on the occasion of birthday of BJP leader Atal Behari Vajpayee projecting him before the 1998 Lok Sabha elections as "The Man India Awaits". In the Supplement, answering a question, Vajpayee said that "good governance is possible only when a Government has an ethical base." The supplement reportedly cost Rs. two crores for the corporate houses. In the run up to the 1996 general elections, the BJP leaders admitted to have collected Rs. 55 crores from several industrial houses in the country.

After the fall of United Front Government in 1997, Vajpayee gave an open call for defection of Congress (I) MPs to BJP. This double-speak about "ethical base" on the part of Vajpayee signifies the extent of political corruption and scant regard for democratic will of the people.

The BJP resorted to worst type of political corruption in Uttar Pradesh in October 1997. While the Congress (I) had reportedly distributed money in suitcases to Jharkand Mukti Morcha MPs to gain their support in Parliament, the BJP had gone a step further in corruption ideology by distributing Ministership to every defected MLA from Congress (I), BSP and Janata Dal. A total of 93 MLAs were made Ministers by the BJP in Uttar Pradesh out of whom, 16 Ministers belonging to BJP, BSP and Congress (I) were reportedly involved in cases of murder, attempt to murder, dacoity, kidnapping and robbery.



(Courtesy : The Hindu - 5.11.1997)

With the introduction of economic reforms on a global scale, huge public resources, assets and funds became available for privatisation. To acquire these economic resources, political power became an urgent need for the greedy capitalist politicians at any cost.

Because of this intense need for money to acquire political power, the scramble for corruption has increased manifold under the regime of economic reforms. Spurt in the activities of Hawala operators, terrorists and drug mafia is an off shoot of liberalised corruption under globalisation.

Globalisation of Corruption and the Jain Hawala Case

The Jain Hawala case is an important part of the liberalisation of corruption under economic globalisation. Hawala is a system of illegal transfer or exchange of money including foreign currency from one person to another and from one country to another.

The foreign and local MNCs have been using the Hawala channels to bribe the politicians of all capitalist political parties, bureaucrats and Non-Governmental Organisation (NGOs) because Hawala channels are easy to operate and not easy to be detected and proved.

A brief history of the Jain Hawala Case will illustrate how the entire capitalist system's pillars encompassing the executive, legislature, the media and some Judges suppressed a glaring case of open corruption.

The Jain Hawala case surpasses any Bollywood or Hollywood thriller and provides interesting twists and turns.

In a routine case, the Delhi police arrested a J&K militant on 25.3.91 and grilled him about the source of his funds for acquiring arms and ammunition. He revealed the name of a Jawaharlal Nehru University (Delhi) student.

The police then raided the room of the JNU student and found a lot of incriminating material. On questioning from where he is getting the funds to be passed on to J&K militants, the student revealed the name of a Hawala operator S.K. Jain. The police then raided the business premises of Jains all over the country and seized

Rs. 58 lakh in cash, Rs. 10 lakh worth Indira Vikas Patras, US \$ 20,000 and several bags of incriminating and corroborating material including the controversial Hawala "diaries".

The premises of five other Hawala operators were also searched but the capitalist media exercised its freedom not to reveal anything about those details.

When the entries in the Jain diaries were decoded, it was revealed that the Jains had disbursed by then upto Rs. 65 crores to various Congress (I), BJP and Janata Dal politicians, several bureaucrats and other important VIPs. According to the diaries, the recipients included former Prime Minister Rajiv Gandhi (Rs. two crores), former Prime Minister Chandra Shekhar (Rs. one crore), L.K. Advani of BJP (Rs. 60 lakhs), Madal Lal Khurana, BJP (Rs. three lakhs), V.K. Malhotra, BJP (Rs. one lakh), Sharad Yadav, JD (Rs. 50 lakhs), Devi Lal, JD (Rs. 50 lakhs) amongst others. It was revealed later that the Jains also gave funds to Sita Ram Kesri (Rs. two crores), V.C. Shukla, Balram Jhakar, Chandraswami and BJP leaders like Yashwant Sinha, Sunder Lal Patwa, Kailash Joshi and others. Some of them admitted to having received "political donations" from Jains.

It must be noted that except leaders of the Left parties viz., CPI(M), CPI, RSP and Forward Bloc, the leaders of all capitalist political parties viz., Congress (I), BJP, Janata Dal etc., were found to have been recipients of corrupt Hawala funds.

When these details became public, the CBI obviously at the behest of the then Congress (I) Government, was able to suppress the case for well over three years. One inconvenient official in the CBI dealing with the case was hounded out.

At this stage, some enterprising journalists and lawyers led by Vineet Narain filed a Public Interest Litigation in the Supreme Court pleading for the arrest of the persons named in the Jain Diaries under the Prevention of Corruption Act, FERA and TADA. The petitioners pleaded that when a thief of small things just on suspicion can be arrested, then why cannot these politicians and bureaucrats be arrested, especially when there was sufficient evidence.

When Vineet Narain documented all the details of the Jain Hawala case in the Video magazine "Kalchakra", the Censor Board banned the Video. Although the ban was lifted later on, yet the Video was never available to the general public in the "market".

Because of the magnitude of the issues involved, the Supreme Court had to finally admit the case. But the Congress (I) Government and on its instructions, the CBI did not cooperate with the Supreme Court in this case. Therefore, the Supreme Court itself started monitoring the case. Thereafter, the CBI started acting according to the law. This led to the arrest of S.K. Jain who in an affidavit before the CBI revealed all the details of the case - who was given what amount, where, how, why and when.

Some of the foreign MNCs named by SK Jain in his affidavit included Snam Progetti (Italy), Scanska (Sweden), ABB (Sweden), Cegleg (France), GEC Alsthom (France) and Hyundai (South Korea).

When these details were coming out, a section of the press and other media started propagating that "judicial activism" (Supreme Court monitoring the Hawala case) is not good for "democracy". Some in the legal profession started arguing that giving a bribe is a crime but not taking a bribe. Then came the question: if those people giving bribes with an extra-territorial origin could be brought to book. Parallely, in the Parliament the leaders of Congress (I), BJP and Janata Dal wanted to amend the Prevention of Corruption Act itself to exclude MPs and Ministers from the definition of "public servant" in order to bail out the hawala charge-sheeted politicians.

At this juncture, Vineet Narain alleged that one prominent lawyer (who later on became a Cabinet Minister in the Vajpayee Government) played the dirty trick of forcing three co-petitioners in the Public Interest Litigation to spoil the case. It was further alleged that this eminent lawyer attempted to give Vineet Narain a "huge sum of money" in order to help the Jains and other accused.

In the mean time some important Supreme Court Judges monitoring the Hawala case retired.

Thereafter, in April 1997 a single Judge Bench of the Delhi High Court ruled that the Jain diaries could not be taken as "evidence" and discharged all those charge-sheeted under the case including Congress (I) leader V.C. Shukla and BJP leaders LK Advani & Madal Lal Khurana. However, Sharad Yadav of Janata Dal had to face prosecution, the court ruled, because in a TV interview he admitted to having received the funds.

It is a point of logic that a person who contemplates a crime would not himself create an evidence on his own. The

circumstantial evidence will have to be relied upon. Such circumstantial evidence, the bank entries, admissions by certain responsible persons including some of the accused, have totally been ignored, to suit the convenience.

There were allegations that the CBI lawyers did not argue the cases properly before the High Court. The CBI sources complained that whereas CBI pays only Rs. 5,000/- only to the lawyers, the charge-sheeted persons pay lakhs of rupees to their lawyers. As a result, not only Jain Hawala case but quite a large number of cases have been lost by CBI because the lawyers did not produce the evidence having been obviously influenced by extraneous considerations.

The statistics in the Enforcement Directorate too reveal that out of thousands of cases pursued, the actual convictions accounted for, were only 30, 14 and 28 only in the years 1995, 1996 and 1997 respectively. These facts establish that money power and influence determine truth and justice in the capitalist judicial system.

The Income Tax and FERA authorities were sleeping over the Hawala Case even though huge amounts of cash and foreign currency were siezed. Thus no evidence has been recorded to enable the culprits to go scot free. The CBI never searched the houses of several bribe takers.



(Courtesy : The Times of India - 10.10.1996)

[illegible]

The Times of India News Service and UNI

Ms Swaraj said her party leaders from Madhya Pradesh like Sunderlal Patwa and Kailash Joshi had admitted to having accepted "political donations", from the Jain brothers and other industrialists and businessmen before 1990.

(Courtesy : The Times of India - 29.1.96)

[illegible]

In a further development, the Chief Justice of India revealed on 14.7.97 that some "gentleman" was trying to meet and influence him in the Jain Hawala case, but refused to name the "gentleman".

If the Chief Justice of the Supreme Court of India was not in a position to identify a criminal for reasons whatsoever, how can ordinary citizens dare become witnesses in the crime-ridden

capitalist system?

The Supreme Court finally cleared all those involved in the Jain Hawala case in March 1998 and held that "There is no independent evidence to support the entries in the Jain Diaries, even if they are deemed to be legally admissible evidence under the Evidence Act". **The Court rejected the Additional Solicitor General Altaj Ahmad's contention that statements of four witnesses who had admitted receipts of payment as shown indicated that the entries (in the Diaries - Ed.) were correct.** (Courtesy : The Times of India - 3.3.1998).

Thanks to another Supreme Court judgment delivered in February 1998 in a Karnataka Government employee case, the corrupt bureaucrats and politicians can now indulge in more corruption in a more liberal way. The interpretation of the judgment is, any employee, if tried to expose corruption through the trade union or otherwise, can be removed from the job legally, on the pretext that corruption is a "political issue" and that such exposure "amounted to lowering the prestige of the organisation". This judgment of the Supreme Court confers political rights only on the corrupt politician-bureaucrat nexus and those affected by such corruption are denied of any political or constitutional rights, even as to make a public statement, let alone protection from victimisation. How can a corrupt Head enhance or uphold the prestige of the organisation or the country remains unanswered. Now resorting to corruption has become a fundamental right for the unscrupulous bureaucrats and their political masters.

In any case, the Indian Judiciary too appears to be not above the strong pulls and pressures of capitalist "market". The final message of the Jain Hawala case is that both terrorists and corrupt politicians get corrupt money from the same Hawala sources. The evidence against terrorists is admitted and the evidence against corrupt politicians is rejected.

There are many other Hawala operators in the country who are disbursing huge funds to imperialist agents, terrorists, anti-social elements, caste and religion-based political parties, non-governmental organisations etc., on the directions of their bosses abroad for perpetrating divisive, anti-national and criminal politics. These cases signify not only corruption but also subversion.

The BJP-led Vajpayee Government played the dirtiest role

in suppressing the corruption cases. First of all, they terminated the Special Public Prosecutor (K. Kumar) of Enforcement Directorate (ED) and later transferred the Director (M.K. Bezbarua) of ED without even providing a replacement. The intention was clearly to create a vacuum in the ED even while a large number of important cases against VIPs were about to come up before the Courts. Even though the Supreme Court passed strictures against the transfer of Director of ED, the BJP-led Government transferred the official again, with utter contempt.

Further, the transfers of Director of CBI and Chief Justice of Tamil Nadu High Court; and the obstacles created in the constitution of Special Courts to try corruption cases in Tamil Nadu are enough proofs to show that the BJP-led Vajpayee Government wants to suppress several cases of corruption to protect Jayalalitha, Ashok Jain (Chief of Times of India Group) and others.

Further, the BJP-led Government introduced the Foreign Exchange Management Act (FEMA) to replace Foreign Exchange Regulation Act (FERA) whereby the powers of ED are sought to be diluted considerably. The FEMA enables affluent Indians to utilise the loopholes in the Act to transfer their assets and money to foreign countries. The FEMA also helps smugglers and hawala racketeers in their operations.

The major corruption cases involving the leaders of capitalist political parties like Congress (I) and BJP and their kith and kin became innumerable over the years. It must be noted that only a tip of the iceberg percolates into the columns and bulletins of the media owned and run by the corporate houses.

Moreover, the British imperialist legacy of Official Secrets Act does not allow the people to know the truth. However, a brief enumeration of the cases of corruption which came out into the open over the years, throw sufficient light on the enormity of this socio-economic crime.

Only a few months after clean chit given by the Supreme Court, the then Congress (I) Minister for Communications Pandit Sukh Ram Sharma was found to be involved in corruption in the award of Telecom tenders to some favourite parties resulting in a loss of Rs. 20,000 crores to the public exchequer. A search at his premises revealed crores of rupees in cash and possession of several other properties disproportionate to his known sources of

income.

Allotment of gas agencies, petrol pumps, Government accommodation etc., spinned in lot of money for Congress (I) Ministers. The reported cases of India Bank scam involving more than Rs. 1000 crores; the Bofors case; Jaffer Shariff's electric locomotives and guage conversion cases; the 1991 Airbus scam; Gold Star scandal; Fairgrowth scandal; the case of Harshad Mehta's Rupees-one-crore-suitcase to Narasimha Rao; the JMM case; Lakhubhai Pathak cheating case ; BJP leader VK Saklecha case; V Krishna Murthy case; Jayalalitha case; the Kairon case, the Churhat Lotteries case, the Mundra deals, the tax raid cases, the Tulmohan Ram case, the Antulay case, the Nagarwala case, Times of India Chief Ashok Jain case; ITC Chief Deveshwar case; the beef-tallow case; the innumerable FERA violation cases; the kickbacks; the commissions; the bribes in defence deals such as West German sub-marines; Westland helicopters and award of over-valued contracts in thousands of cases involving lakhs of crores of rupees - are all significant cases of political corruption where public money has been looted.

The Congress (I) Government headed by Narasimha Rao had the dubious distinction of 15 Ministers resigning on account of corruption charges. One such Minister was inducted by Atal Behari Vajpayee in his BJP-led Government. Several other corrupt Congress (I) Ministers like Sukh Ram joined hands with the BJP.

Even many Judges like V Ramaswamy (Supreme Court Judge), S.K. Desai (Bombay High Court), A.M. Bhattarcharya (Bombay High Court), K.N. Singh (Supreme Court Chief Justice), MM Punchhi (Supreme Court) were alleged to be involved in corruption.

Several bureaucrats and Heads of public sector or private sector companies are reported to be involved in many corrupt practices involving huge amounts of money.

The open corruption involving defections in Parliament and Asemblies has been condoned on the contention that an MP or MLA has a freedom to vote in any way he or she likes inside the House.

Lots of corrupt money is generated in foreign exchange in export-import business through over-invoicing and under-invoicing. This money is deposited in foreign banks which is deceptively called "capital flight".

According to IMF estimates the capital flight (loot) from Asia during the 11 year period ending 1985 was US \$ 75 billion (more than Rs. 3,00,000 crores at current rate). This shows that all the corrupt money in the world reaches World Bank/IMF in dollar account from where loans are obtained by all capitalist Governments for "Developmental Projects". Every year billions of dollars are paid as interest on the huge loans obtained by every country including the USA. Thus an international ring of corruption has been formalised.

If all the corrupt money looted by different capitalist politicians, bureaucrats, businessmen and industrialists in India is added together, the total amount will be much more than the country's total debt of Rs. 6,00,000 crores.

In all above corruption cases, if there is a public outcry the concerned Minister or bureaucrat resigned and the matter ended there. If there was no public outcry or if the media exercised its freedom to black out the matter or if the legal luminaries preferred to play hide and seek, then the truth did not see the light of the day.

Whatever be the Judgments on the Hawala case, the local and foreign MNCs have been bribing the politicians, bureaucrats and even Judges for getting the economic resources privatised.

It can be noticed that only the leaders of Left Parties viz., CPI(M), CPI, Forward Bloc and RSP are not involved in any corruption cases.

BAN COMPANY DONATIONS TO PARTIES : CPI (M)

New Delhi, Feb. 19 : The CPI (M) today demanded banning of company donations to parties as part of electoral reforms and said it had refused to accept Rs. 19 lakh from an electoral trust set up by the Tata group.

In a statement here declaring that CPI (M) will not accept donations from corporate trusts, the party said public limited companies set up for business have no reason to fund political parties and demanded that such donations be prohibited.

The Tata group of companies' electoral trust had sent the CPI (M) Rs. 19 lakh for election expenses which the party declined, according to the statement.

(Courtesy : The Hindu - 20.2.1998)

Loot Of National Resoures, National Assets And Public Funds Through Privatisation

History reveals that no country has ever developed without "self-reliance". Government's active intervention over socio-economic problems on a major scale is necessary for welfare of the people. Contrary to the above revelations of history, the capitalist political parties represented by BJP and Congress (I) and their theoreticians advocate "less and less governance" to facilitate a situation of more and more loot by Multi National Companies (MNCs).

In India, the public (Government) sector along side private sector had been envisaged under the Tata-Birla Plan in 1946 to facilitate development of capitalists. As per the Plan, all capital intensive, loss making but economically and infrastructurally important industries like Power, Civil Aviation, Railways, Telecommunications, Steel etc., were set up by the Government in public sector and profit making industries like Electricals, Automobiles, tea estates, household items, cosmetics and several other consumer items where quick and high profits are available, were reserved for private corporate sector.

However, the concept of State Capitalism (Government sector within capitalist system) has been used by Pandit Nehru to create more and more public sector companies to strengthen and widen his political power. The public sector in India has also been enlarged as a result of impact and influence of socialism

prevailing in 1950s and the aid of Soviet Union, in particular.

In the process vast public resources, public assets and public funds have come into existence in the public sector, over the years. Public sector in India has created over 22,00,000 productive jobs, served several social needs and achieved self-reliance in a number of fields to a large extent, thanks to the socialist ideology.

The assets, resources and funds of public sector have grown tremendously over the years while some of the industries like Textiles were nationalised as a result of losses incurred by the private sector.

The major investments made by the Central Government in India in different public sector industries of the economy over the years work out to more than Rs. 1,55,000 crores. The present market value of these investments is many times more besides the assets and resources that they carry. For example, the present value of power sector investment alone is estimated to be Rs. 6,00,000 crores. The Oil Sector giants in the public sector viz., Indian Oil, Oil and Natural Gas Commission, Bharat Petroleum Corporation, and Gas Authority together have free reserves of about Rs. 34,000 crores by 1996-97 besides the unaccountable oil resources that they control. The Telecom assets are estimated to be Rs. 23,000 crores and the Doordarshan/AIR assets are valued at Rs. 58,000 crores. Further, there are several public financial institutions like Nationalised Banks, LIC, UTI, IDBI etc. which hold public funds and assets running into lakhs of crores of rupees.

The gross profit earned by 129 PSUs in 1996-97 alone was Rs. 30,475 crores as against a loss of Rs. 5,862 crores by 104 PSUs. The PSUs contribute to the public exchequer to a very large extent by prompt payment of dividends, customs duties, excise duties, sales tax, income tax and corporate tax.

Over the years, the private sector monopolised by Tatas, Birlas, Hindujas, Ambanis (Reliance), Modis, Thapars, Bajajs, Goenkas, Singhanias, Mafatlals, Appollo, UB Group, DCM, Chhabrias, Oswals, Dhoots, Essar, Kirloskar, Mahindara & Mahindra, Bombay Dyeing, Mukand etc., has also earned huge profits. The assets of top 10 private monopoly houses rose from Rs. 312 crores in 1951 to Rs. 34,538 crores by 1990.

Let us study how the main capitalist political parties in India viz., Congress and BJP are implementing the above privatisation policy in favour of local and foreign MNCs and how the media is resorting to disinformation campaign over the process of privatisation of economic resources.

Role of Media

First of all it is important to study the role of Media in conducting the publicity in favour of 'economic reforms' to prepare the grounds for privatisation of economic resources and to make people accept the same.

First of all, the media campaigned for ending the "licence-permit raj" and for restricted role of Government in order to leave the "market" open for monopoly of local and foreign MNCs.

When economic reforms were started, the media propagated that "market economy" is necessary for increasing efficiency and growth. But the press and other media do not reveal even today that the "market" is effectively monopolised and controlled by local and foreign MNCs. Therefore, the idea of preaching "market economy" was to pave the way for monopoly of MNCs and to make people accept the same.

In order to discredit the public sector, the media propagated that there are losses in public sector, that the returns from public sector investment are very low when compared to private sector and, therefore, the public sector should be privatised. The media did not disclose the positive contribution of public sector and negative aspects of private sector. While the public sector generated 22,00,000 jobs, fulfilled many social obligations and the investment in public sector is safe and intact, what is the record of private sector?

According to a document of Reserve Bank of India, 3995 business tycoons and political bigwigs have borrowed more than Rs. 40,000 crores from public financial institutions. This money is now being shown as "unrecoverable" or "doubtful assets" so as to be written off as bad debt. Most of these defaulters belong to or support Congress (I) or BJP, politically.

The Congress(I) Government never seriously tried to recover these huge amounts from corporate houses and was not even will-

ing to reveal the names of these big industrialists arguing that such disclosure would harm their business interests. So, the Congress (I)'s philosophy is that a thief should not be identified because his profession would be harmed! Are these not losses inflicted by the private sector on the public exchequer? Further, if the private sector is so efficient, why are there more than 4,00,000 sick industrial units in the country in private sector in which public money of more than Rs. 20,000/- crores is locked up? The Media is silent on this huge loot of public funds by the private sector entrepreneurs but blames only public sector for the losses.

The fact that losses are being incurred both by the public sector and the private sector under the influence of corruption associated with capitalism, is not disclosed by the Media.

The Chairman of BIFR to whom the sick companies are referred for closure or revival, observed that "The units become sick but the persons responsible for making the unit sick continue to become more and more affluent". The private sector is, therefore, more efficient in closing down the companies and swindle the public money. The media never reveal these details.

The media owned by MNCs have propagated that privatisation is being resorted to improve "productivity"! The media did not explain, when about 4,00,000 private companies are already sick, how the newly privatised loss making public sector companies can become profitable, once they are privatised? And why not turn the 4,00,000 sick private companies profitable, first of all?

Further, the media propagated that "competition" is very necessary to improve efficiency and bring down the prices. How can the small and medium industry and the orphanised public sector compete with politically and financially powerful local and foreign MNCs? The real intention of this "competition" concept was to throw the small operators and public sector out of market and facilitate capture of market by the MNCs. The media's propaganda about "competition" is like a utopian boxing competition between Mike Tyson Vs. Dr. Manmohan Singh.

What is seen during the last seven years is that there is no competition or efficiency or increase in productivity or reduction in prices but the economy is slowly moving into the hands of Indian and foreign MNCs who are dictating the prices and terms. Several medium level companies of Indian industrialists are facing

losses and take over by foreign MNCs. In several fields, cartels have been formed to manipulate the market. The stock market has been subjected to unprecedented ups and downs by the foreign finance capital to force distress sales. The slogans of "competition", "decrease in prices" and "efficiency" have been proved to be bogus as Economic Slavery is taking shape. The media's propaganda about "competition" was thus aimed at facilitating monopoly of local and foreign MNCs over the Indian market and to make people accept the same.

The media has been propagating that "autonomy" to public sector companies, public financial institutions, CBI, ED, DRI etc., would improve accountability and efficiency. But the reality is different.

In the case of National Thermal Power Corporation, several top officials were found to be helping the MNCs and receiving huge "Hawala" bribes. In the National Fertilizer Corporation, the Chief Executive and some politicians allegedly looted Rs. 133 crores in the urea scandal. Many other bureaucrats, influential persons, politicians and even Cabinet Ministers belonging to capitalist political parties of India are on the pay rolls of MNCs. The Jain Hawala case is a pointer in this regard. How "autonomy" can bring accountability under such circumstances?

One Joint Secretary in the Ministry of Surface Transport amassed wealth amounting to over Rs. 3.00 crores by misusing his "autonomy". One former Law Secretary managed one petrol pump dealership allotted to his wife. The officials of Department of Telecom intentionally committed lapses to give benefit to private parties in Cellular Mobile services case, thus causing a loss of Rs. 837 crores to the public exchequer.

The Industrial Finance Corporation of India, a public financial institution, has written off in 1990 a sum of Rs. 77 lakhs from Ansals, a private construction company, under questionable circumstances. Later, the Punjab National Bank sanctioned Rs. 40 crores to the same Ansals to purchase 17.6 acre land in a prime location in Delhi against HUDCO rules, under mysterious circumstances.

In the securities scandal the bureaucrats in the Public Financial Institutions fully utilised their "autonomy" to defraud the public exchequer of Rs. 8,000 crores.

One Secretary to the Ministry of Civil Aviation had by-passed the concerned Ministers to bestow concessions to Indian and foreign companies. In one case, he had granted airport land belonging to the Government to a private party without proper approval. He was also instrumental in recommending very high pay scales for Class I officers and above in the Fifth Pay Commission Report, resulting in huge burden on the public exchequer.

In another case, the Defence Secretary has reportedly fudged facts in an IAF promotion case in order to deprive one Air Vice Marshall of his promotion and misled the Appointments Committee of Cabinet.

While the country was in the election process in the year 1998, the bureaucrats with the connivance of some politicians clinched a Rs. 844-crore-deal with the Australian Wheat Board in a record eight days even while the concerned Minister Chaturanan Mishra (CPI) was opposing the deal. The price paid for the imported wheat was Rs. 850 per quintal whereas the support price offered to Indian farmers was only Rs. 510 per quintal. How much amount of money changed hands is a well-guarded secret protected by the Media.

The point is that without any "autonomy" and with lot of controls, most of the top level bureaucrats in PSUs and Government are able to distort the priorities, help in loot of huge amounts of public money and work for the local and foreign MNCs for a "consideration" in the corrupt capitalist environment of "private enterprise" and "profitism" as could be seen from the above instances. If real autonomy is given, then these bureaucrats will barter away the National resources, National assets and public funds more easily to the MNCs. If there is more autonomy, there will be more corruption. In other words, the "autonomy" concept is propagated by the media to facilitate easier and quicker loot of economic resources. The media never allow these view points to appear in their columns and bulletins.

The pro-capitalist theoreticians propagated through the media that the public sector should become "peoples sector" and the shares should be transferred to "people". Who are these people? More than 90% Indians have no savings to invest in shares. So, the "people" meant by the media are Non Resident Indians, local MNCs and foreign MNCs.

The media propagated that the entry of multinationals into India would facilitate modernisation of industry, technology transfer and generation of more employment with very "heavy" pay packets. The media did not tell the truth that no country ever developed with foreign technology but only with self-reliance. India is still dependant on import of paper for printing currency notes. Even the cold drinks and potato chips technology is being monopolised by foreign MNCs. The Indian companies have become commission agents or marketing and sales outlets for the foreign companies. Even after 14 years of Joint Venture, the Maruti is yet to know the "gear-box" technology of Suzuki. Therefore, the "technology transfer" argument by the media is aimed at making people accept opening of market to foreign MNCs.

Between 1985-86 to 1988-89, the country has lost Rs. 5751 crore worth foreign exchange in IDBI assisted private projects, in the name of import of foreign technology. The media never disclose these details.

Irrespective of ideology, without public sector there can be no "self-reliance", no social security, no social development and no reliability. The press and other media working on behalf of MNCs never reveal this truth.

The media constantly propagated that the country can develop with foreign investment only. This is very deceptive propaganda advanced on behalf of the foreign MNCs. The Media do not answer the question as to what is the need of foreign investment in banking and insurance sectors where there are huge profits for the State.

The Media do not reveal the projected outflow of national income as a result of foreign investment. For instance, in the case of Cogentrix power project in Karnataka, the total foreign investment would be around US \$ 750 million as against the estimated outflow of US \$ 18,000 million, with a governmental subsidy of Rs. 700 crores every year.

Some of the NRIs, in the name of foreign investment, are milking funds from the public sector financial institutions in India. For example, the Asian Hotels which are owned by NRIs have been granted Rs. 100 crores by the Punjab National Bank and Rs. 80 crores by Industrial Finance Corporation of India, as loan for the hotel projects.

Many Indian industrialists are now complaining that foreign investment is neither coming in any new areas nor bringing any new technology. Foreign investors are interested in taking over the well-established Indian companies only - either in public sector or in private sector.

Further, if the foreign investment is utilised, the country will be in a debt trap as could be seen from the examples of Mexico, Indonesia, South Korea and Thailand. Even Dr. Manmohan Singh accepted that the foreign investors are bringing money only for the speculative purposes and are "fair weather friends". As is evident from the Mexican example, all the foreign investors withdrew their money and the country had to sell off its National resources and assets to clear the huge amount of debt. Mexico became bankrupt overnight. The media censor the truth that bankruptcies of Mexico, South Korea, Russia, Indonesia and Thailand are related to foreign investment and privatisation policies.

Today, a lot of restructuring is taking place within the private sector. Small and medium private manufacturers are unable to face the competition with large manufacturers and these large manufacturers are unable to face the competition with the Indian and foreign MNCs. Slowly monopoly of foreign MNCs is taking shape and economic slavery is replacing the earlier political slavery.

Without exposing these monopolistic tendencies that are prevailing within private sector, the press discredits the monopoly of public sector in important industries like power sector, telecommunications, defence etc which are important from the Nation's point of view.

The media propagated that public sector in India is not efficient, running in losses and should therefore, be privatised. Yes, there is under productivity, mismanagement and absenteeism in Government sector. The criticism that LIC premia are on the higher side is also valid. There are also the problems of over-billing and corruption in the electricity and telephone departments. There are delays in nationalised banks. These are administrative matters and need corrective action, but do not warrant privatisation or closure. The inefficiency and lethargy prevailing in Government sector can be corrected administratively. The responsibility for losses can be fixed and instances of corruption can be punished

severely. But the preaching by the media including the big newspapers was like 'removing the nose for contracting a cold'. The real intention is to discredit these public services in the vision of the people and then get these services privatised to loot the resources, assets and funds.

The media propagated falsely that privatisation would ensure greater accountability and release scarce resources. They should answer where is the accountability in CRB, JVG, PLS, BCCI, DCM and several thousands of other cases of private investment? Where have the hard earned savings of innocent people running into thousands of crores of rupees, gone?

The New Delhi Municipal Council had privatised the work of preparation and collection of water and electricity bills and gave the contract to a private company. According to CBI, the private firm has misappropriated the collection of about Rs. 6.54 crores.

In Bank of Rajasthan, the funds deposited by people have been obtained as loans by unscrupulous businessmen. With these loans, the equity shares of the bank have been purchased to gain control over the bank.

There are a number of private companies who do not pay the dues to their share holders or issue warrants/cheques that invariably get dishonoured. They cheat the share holders and customers in a number of ways. A glance through the grievances column of a newspaper reveals the extent of breach of trust by the private companies. The media never attribute the above instances to the evils of "capitalist system".

Role of Congress (I)

The Congress (I) came to power at the Centre in 1991 as a result of sympathy wave arising out of "timely assassination of Rajiv Gandhi".

After forming the Government at the Centre in 1991, the Congress (I) started accelerating the privatisation of economic resources in the country.

First of all, the Congress (I) Government created disaffection amongst the people against public sector units (PSUs) and public financial institutions (PFIs). The Congress (I) Government created various problems, bottlenecks, labour problems, anoma-

lies etc. Then these were highlighted out of proportion by the Media to create dissatisfaction among the people. This distorted public opinion has been encashed later to initiate moves to privatise Government/Public Sector departments/ industries and loot of the huge public resources, public assets and public funds. This process has attractively been named as economic reforms, liberalisation, market reforms, market economy, competition, efficiency, accountability, privatisation, structural adjustment and globalisation, to deceive the people.

In pursuance of the above policy, all public sector units numbering about 245 were mismanaged intentionally and disoriented by the Congress (I) Government to create adverse public opinion against public sector.

Corruption has been given a free "hand" in all public sector units. Not a single corrupt official or Minister at the top was ever punished by the Congress (I) Government to set things right despite abundant evidence and proof.

The positions of importance in public sector units were auctioned for a price which resulted in all round corruption. These officials in public sector directly or indirectly helped diversion of funds to politicians in power and contractors in demand. The bureaucrats got their own share. Later they found lucrative jobs in the private sector companies which were favoured by them while they were in Government service.

Impediments have been created in the running of public sector units. Chief Executives and Directors were not appointed properly in these organisations. Funds were not provided. Modernisation was not effected. Timely decisions were not taken. Marketing facilities were not allowed. Prices were fixed uneconomically. Skills of manpower were neither utilised nor upgraded.

Conditions have been created in public sector to hamper their work culture and performance. Serious anomalies in wage structures between one PSU and another PSU; and between PSUs and Central Government have been created intentionally to make these employees fight with each other at the cost of productivity and efficiency.

Even though it was called public sector and hailed as a blue print of socialist ideology, real workers' participation in

Management through industrial democracy was not allowed even in a single PSU. Trade Unions were allowed to raise only wage demands.

On the other hand, the Indian MNCs got their men appointed on the Boards of several Public Sector Undertakings (PSUs) and Public Financial Institutions (PFIs), who became instrumental in the diversion of huge resources, assets and funds to the monopoly houses. Further several decisions to divert money in favour of private corporate houses were taken.

For example, UTI purchased Reliance shares at a higher price than the market value to hand over huge funds to Reliance. In award of projects or works, private parties were favoured for reasons other than merit at the cost of public sector.

To implement the privatisation programme, the Congress (I) Government with the approval of "pseudo-opposition party" BJP, changed the industrial policy, export-import policy and amended several Acts, Laws and Procedures. The Congress (I)-BJP axis cleverly made functioning of trade unions very difficult at the unit level to nullify the opposition of workers and employees to privatisation programme. The BJP and Congress (I) affiliated trade union leaders belonging to BMS and INTUC respectively, resorted to pseudo-fighting against economic policies and misled the workers.

The World Trade Organisation agreement and Patent Laws have been implemented by the Congress (I) Government in 1994 in a most undemocratic manner to consolidate the strangle hold of MNCs on Indian agriculture and industry. The WTO agreement covers vital areas such as multilateral investment, textiles, pharmaceuticals, banking and finance, telecommunications etc. Further, the Central and State Governments are debarred from enacting laws in certain areas like patents, copy rights, trade marks, agriculture, education, research, mines, trade, industry, adulteration and so on. Besides, the foreign companies are to be provided with Exclusive Marketing Rights (EMRs) in agro-chemicals and pharmaceuticals. Thus, even though the WTO agreement is an instrument of "Economic Imperialism", the Congress (I), the BJP and the Media supported the implementation of WTO agreement in 1994.

In the agricultural sector, 'terminator technology' is being experimented by the MNCs where the patented "seeds" would not

produce "seeds". The farmers are designed to be at the eternal mercy of MNCs dealing with agricultural implements such as seeds, fertilizers, pesticides etc. Patenting of basmati rice, neem, turmeric etc., by the foreign companies will be detrimental to the Indian interests.

In order to implement the WTO agreement in agricultural sector in favour of MNCs, the Congress (I) Government raised the costs of inputs for water, power, fertilizer, pesticides etc., by way of withdrawal of subsidies under the economic reforms regime. Institutional finance had been stopped to the agricultural sector. Consequently, the small and marginal farmers started losing their lands rapidly due to manipulated, uneconomical and unremunerative prices for cash crops like coconut, jute, rubber, tobacco, cotton, spices etc. Many farmers committed suicide in Maharashtra, Karnataka, Punjab and Andhra Pradesh. Prawn farming was encouraged to meet the food habits of westerners and the interests of exporters which made huge productive lands in India unfit for traditional agricultural crops like rice.

The Congress (I) Government allowed entry of foreign MNCs like Pepsi, Kellogs and Cargill in agricultural sector and land holding laws have been liberalised in their favour. Thousands of acres of prime agricultural land has been sold to MNCs for producing potatoes and tomatoes for agro-business of potato chips and sauces. These very lands were never given to the tillers and landless poor under the land reform laws. The word "land reforms" has been given a new meaning to pave the way for privatisation of Government lands.

Further the Congress (I) Government acted as an agent of local and foreign MNCs to effect sickness and closure of public sector as well as small and medium industry in India by manipulating the price mechanism. In the name of "competition", the western MNCs were allowed to enter the Indian market directly or through their Indian agents. Later in order to make the prices of foreign MNCs "competitive", the Congress (I) Government reduced the customs duties on imports and increased the excise duties on indigenous products. The western Governments also helped their MNCs by giving substantial incentives, subsidies and political protection, to make their products cheaper, initially. By this strategy under economic reforms, several imported goods have been made

cheaper and the Indian goods made costlier by the Congress (I) Government. This "economic coup" has made the entry of foreign goods into the Indian market very easy at the cost of indigenous industry.

In some cases the foreign MNCs reduced the prices of their products well below the prices of local products to force the local industry quit the market. Slowly but steadily, monopoly of foreign and Indian MNCs is taking shape to capture the Indian market.

In this context, it can be recalled that when the Pepsi entered the Indian market, it kept its price below the price of local brands like Campa etc. Once it acquired the foot hold, Pepsi took over the Indian Companies one by one or manipulated their closure. The Congress (I) Government helped the process. Thereafter, Pepsi monopolised the market and doubled its price.

As a result of these price manipulations, indigenous production costs in the areas of ship building, edible oils, petroleum products, textiles, medicines, steel, electronic goods, refineries, newsprint, processed foods etc., have become costlier than imports. Once the Indian companies collapse and the "market" became dependent on MNC products, the prices will go up like the Pepsi phenomenon.

At the start of economic reforms and privatisation moves, the employees in public sector went on a strike in November 1991. In the wake of the strike, the Ministers in Narasimha Rao Government stated that there was no move for privatisation or closure of public sector and that the Left Parties were misguiding the people. Later, when the World Bank report recommending privatisation or closure or sale of 98 public sector units became public, the Congress (I) Government misguided the country again by saying that only perennially sick public sector companies would be closed down or privatised. Later when moves to privatise the profit-making companies by way of selling of shares (disinvestment) came to light, the Congress (I) Ministers again misled the people by saying that only non-core public sector units would be closed down or privatised. But later when it came to be known that even core sectors like coal, steel, power etc., were to be privatised, the Congress (I) Government changed the definition of "core sector"

itself to exclude several industries.

The Congress (I) Government maintained further that the disinvestment (selling of shares) of public sector was taking place to reduce fiscal deficit. Initially the Government stated that not more than 49% shares would be disinvested (privatised). But later upto 74% shares have been allowed to be disinvested in many core sector public sector companies and these shares are surreptitiously falling into the hands of local and foreign MNCs at very cheap rates, without much publicity.

That the disinvestment (privatisation) of public sector is carried out to facilitate entry of foreign MNCs is revealed by the recommendations of the Disinvestment Commission itself. The Disinvestment Commission recommended closure or disinvestment of companies for the reasons "Moreover, multi national companies have already stated their operations in India", thus debunking the earlier propaganda about "competition" between Indian and foreign companies.

After the plans for selling off public sector shares (disinvestment) were finalised, many malpractices are being committed every year. The assets and resources of the public sector have been grossly undervalued by the agents of MNCs who are appointed as Consultants.

In the first phase of disinvestment during 1991 and 1992, according to the report of the Comptroller & Auditor General of India, a loss of Rs. 3,442 crores was inflicted on the public exchequer. According to the study made by the Parliamentary Standing Committee of Industry, the estimated loss to National exchequer in disinvestment exercise in PSUs shares carried on by the Government of India till 1994-95, was Rs. 10,000 crores. This happened because the Congress (I) Ministers with the help of bureaucrats, under-valued the public sector share prices vis-a-vis the actual market value of assets, resources and liquidity.

According to other estimates the loss to the public exchequer in the first phase of disinvestment was to the tune of Rs. 12,000 crores. While the Congress(I) and BJP are silent, the big newspapers say that this is "not a scam". On the other hand, in order to justify the disinvestment (privatisation) of public sector shares, the Congress (I) Government's economists preached that the country cannot afford Rs. 15,000 crores to modernise the public

sector. But these very tricksters handed over much more amount of public money to corporate houses in different scams like securities scam, sugar scam, disinvestment scam and so on.

From the above, it is clear the the long term strategy of the capitalist-imperialist complex, implemented by Congress (I) Government was to make the resourceful public sector sick, privatise it and loot the huge resources, assets and funds. The disinvestment of public sector shares was, in reality, the first step of such long-term strategy.

Consequently, the public assets and resources in the public sector covering oil and natural gas, coal, steel, mines, minerals, power, petroleum, electronics, ports, roads, pharmaceuticals, transport, shipping, telecommunications etc., are being transferred into the hands of Indian and foreign MNCs in the name of disinvestment (selling of shares to facilitate privatisation) of public sector.

The shares of profitable Indian public sector companies are being sold at very cheap rates to international finance capital abroad, in the form of Global Depository Receipts (GDRs). Significantly 83% of the foreign direct investment is being made in the above core sectors of the economy.

For privatisation and loot of public sector, the employees and workers have become an impediment for the pro-capitalist reformists. Therefore, first of all recruitment in all public sector enterprises and public financial institutions was stopped from 1980 onwards by the Congress (I) Government, as per the long term strategy of privatisation programme. The entry was closed. Thereafter, in order to hasten the process of privatisation, the existing employees in public sector have been offered voluntary retirement. The funds for such voluntary retirement are raised by selling off PSU shares and obtaining huge loans from World Bank-IMF. By 1995-96, more than 2,64,000 employees were retrenched from PSUs through the voluntary retirement scheme.

The net result of voluntary retirement and disinvestment is that 98 public sector units are slated to be closed down or privatised or sold out within 2-3 years and in the next 5-10 years the rest would be wiped out as there would be no effective work force left to man the remaining profit making public sector units.

The public sector, which could generate vast national re-

assets, funds of lakhs of crores of rupees, sustain self-reliance, create productive jobs for lakhs of people and serve several social objectives during the last 42 years will fall into the hands of local and foreign MNCs, with no benefits accruing to the country and its people, as a result of treacherous role played by Congress (I).

It is a matter of record that the election manifestoes of both BJP and Congress (I) for the 1991, 1996 and 1998 Parliamentary elections were almost identical with regard to economic liberalisation and privatisation of the public sector.

The BJP always accused the Congress (I) of hijacking its economic agenda. The BJP leaders like LK Advani always advocated ending of "licence-permit raj" in order to consolidate the monopoly of MNCs. They further preached that the "Government has no business to be in business".

With the above background, the "pseudo-opposition" BJP always helped the Congress (I) Government headed by Narasimha Rao to implement economic globalisation and privatisation programme.

% %

BJP COMES TO GOVT'S RESCUE

HT Correspondent

New Delhi, Feb. 23 : The Government was saved from embarrassment and defeat in the Rajya Sabha today after the BJP took a last-minute decision to support the introduction of the Banking Regulations (Amendment) Bill 1994.

(Courtesy : (The Hindustan Times - 24.2.94)

% %

[illegible]

By our Special Correspondent

New Delhi, Aug 6: Mr. Vajpayee admitted that the party (BJP) did not press for voting on its amendment as it was not sure how other parties would have voted and did not want to risk its defeat.

(Courtesy : The Hindu - 7.8.1997)

[illegible]

Answering a question on economic liberalisation in the Special Supplement dated 25.12.97 on the occasion of his birthday brought out by several corporate houses jointly, the BJP's Prime Ministerial candidate Vajpayee stated that "right from the days of Bharatiya Jana Sangh, my party has all along demanded deregulation of the economy and cut back in Govt controls".

Thus, the BJP is equally a party to the privatisation programme aimed at loot of National resources, National assets and public funds by the local and foreign MNCs. The BJP supported every legislation for privatisation of banks, airlines, mines, oil, services and other sectors.

While demanding deregulation, privatisation of public sector and cut back in Government controls, the BJP states that the Party stands for "Swadeshi". This is a clear duplicity on the part of BJP.

BJP's support for privatisation of public sector is contradictory to "swadeshi" because without public sector, there can be no "self-reliance of the country". Without public sector, there can be no employment generation, no social security and no social development in the country. Privatisation of public sector on the other hand is aimed at achieving monopoly of foreign MNCs in collaboration with Indian MNCs over economic resources in India and runs counter to "Swadeshi".

The BJP general secretary Govindacharya summed up his party's policy to a British delegation that the "party (BJP) was not all that serious about Swadeshi and that it was sticking to the slogan because of a compulsion of domestic politics". (The Times of India : 9.10.1997).

Before the Maharashtra Assembly elections and when in opposition, the BJP-Shiv Sena combine proclaimed that if elected they would throw the American Multinational Enron into the Arabian sea and cancel the Dabhol power project agreement. But after winning the elections in Maharashtra, the BJP-Shiv sena Government not only entered into an agreement for Phase I of Dabhol Power Project with Enron but also extended the same for Phase II. Further, similar agreements have been reached in BJP-ruled Gujarat and Rajasthan. After Enron spent a substantial amount towards educational expenses (reportedly US \$ 200 million i.e. around Rs. 600 crores), "Videshi" became "Swadeshi" for the BJP.

In 1996, the 13-day Vajpayee-led BJP Government at the Centre, without even gaining a confidence vote, had clandestinely approved the counter-guarantee to "Videshi" MNC Enron for Dabhol power project.

When Indian MNCs like Tata's TOMCO merged with the British MNC Hindustan Lever, the BJP's talk about Swadeshi remains a sheer hypocrisy. When Indian Parle is sold out to foreign Cocacola, the Kwality ice-cream to British Hindustan Lever, the Doshis had given up control to Fiat, when Enron (US) and Reliance (India) entered into the agreement for privatised oil exploration in India, Godrej has alliance with Proctor & Gamble, Gillettec pushed out Malhotras from "market", Food Specialities became Nestle;

Peico became Philips; Ponds India, Brook Bond and Lipton merged with British MNC Hindustan Lever, where is the Swadeshi? It is very clear that monopoly of Indian and foreign MNCs is taking shape, under collaboration.

Let us now analyse the BJP's "Swadeshi" content in its "Videshi" programme, after it assumed power in March 1998.

The BJP came to power at the Centre with the slogans "Stable Government and able Prime Minister" and "Good Governance" while the Media advertised Vajpayee as "The Man India Awaits".

The BJP-led Atal Behari Vajpayee Government, however, found to be vigorously implementing the same economic policies, as followed by the Congress (I). These policies included curtailing or withdrawal of subsidies, downsizing the Governmental machinery, dismantling Government controls, privatisation (disinvestment) of public sector, corporatisation of Government departments like Telecom, Ports, Doordarshan etc., to pave the way for privatisation later, contracting out of many social services like health and education.

The BJP Finance Minister Yashwant Sinha says "We have entered the second phase of reforms and shall carry the reform process initiated by Dr. Manmohan Singh". (The Hindu - 9.12.98). Prime Minister Vajpayee appointed the Chiefs of top private corporate houses and lobbyists of globalisation as the heads of six task force committees to advise him on trade and industry. The Vajpayee Government has the notorious distinction of Cabinet Ministers representing different Corporate Houses like Tatas, Reliance, Bombay Dyeing, at the cost of fair representation to different sections.

The BJP-led Government introduced the Patents Bill in Parliament to provide exclusive marketing rights (EMRs) to foreign MNCs in agro-chemicals and pharmaceuticals. The double-speak of BJP leaders can be noticed that on the one hand they advocate ending of "licence-permit raj" and on the other hand they have allowed exclusive rights (licences and permits) to foreign MNCs.

The Vajpayee Government resorted to greater foreignisation of economy on the pretext of appeasement against sanctions over Nuclear tests, thus exposing their pseudo-swadeshi ideology.

The BJP-led Government virtually handed over the control of Maruti to Japanese Suzuki. The Neyveli Lignite project has been

awarded to an Italian firm Ansaldo, ignoring the claims of Indian public sector company BHEL. They liberalised import of thousands of items including razor blades, toilet soaps, vegetables, fruits, bicycles, tyres, electrical items, paints etc., which not only affected the indigenous industry but also raised the indigenous prices of vegetables etc., to international levels.

While announcing separately the privatisation of four public sector mining companies viz., National Aluminium Company (NALCO), Bharat Aluminium Company (BALCO), Hindustan Copper Ltd (HCL) and Hindustan Zinc Ltd (HZL), the Vajpayee Government issued 34 licences to foreign companies from UK, Australia, USA and Canada for prospecting and exploration in mining sector covering an area of 49,000 square miles, at the cost of "Swadeshi".

For privatisation of BALCO, the Vajpayee Government advertised for a global advisor. 51% shares in IBP (LPG) were sold to a foreign MNC, Caltex. For implementing the HPCL power project at Visakhapatnam, only American and Japanese companies were short-listed ignoring the capability of public sector BHEL.

The BJP-led Government entered into Oil exploration pacts with domestic and foreign private companies for 13 blocks covering a total of 46,040 square kms. Contracts for 18 more oil exploration blocks were also signed, benefitting 5 American companies. Another 48 oil exploration blocks are being offered to private parties.

Inspite of the Swadeshi pretensions, the Vajpayee Government agreed to allow foreign MNCs into highly profitable Insurance and banking industries. In both the industries the foreigners are being allowed to invest upto 40%. The pseudo-Swadeshi Government was ready for 100% foreign ownership of earth stations in India which will jeopardise internal security. 100% foreign investment has been allowed in tobacco and liquor industries. The foreign investment in tobacco industry was designed to help the monopoly of British Rothman's.

Above all, several of the pseudo-swadeshi BJP Ministers in all the States and at the Centre made a number of Videshi tours for long durations, especially to the fatherland of economic imperialism - USA.

The Vajpayee Government dealt the severest blow to the public sector and "self-reliance". They decided to close down 125 Government owned NTC and British India Corporation Mills to pave the way for private monopoly in the textile industry. Further, in August 1998, the BJP Government decided to close down eight public sector undertakings including Mining and Allied Machinery Corporation (MAMC), BPMEL, BOGL, Weighbird Ltd, TAFCO, Cycle Corporation, National Bicycle Corporation, National Instruments Ltd, rendering about 10,000 workers and employees jobless.

The Voluntary Retirement Scheme (VRS) has been converted into Compulsory Retirement Scheme (CRS) by the Vajpayee Government and the assets, resources and liquidity in these eight public sector companies are about to be handed over to private parties at throwaway prices.

Besides another 23 public sector companies including Scooters India, Hindustan Cables, Mandya National Paper Mills, HMT, IDPL, Hindustan Paper Corporation, NEPA, Engineering Projects, Cement Corporation etc., possessing huge assets, resources and funds are being closed and/or sold to private parties by the BJP Government at very cheap rates, in the name of Joint Ventures.

The Vajpayee Government further announced that 11 more public sector companies are ready to be closed down. The shares of Container Corporation have been sold at less than the market price incurring a loss of Rs. 135 crores to the public exchequer in one stroke.

The "Swadeshi" slogan of BJP is a sheer deception like the "Garibi Hatao" slogan of Indira Gandhi. "Swadeshi" has been turned into "Swadeshi Hatao" by the Vajpayee Government.

The Congress (I) although the main opposition party, yet supported all the above decisions and policies of BJP Government for privatisation of economic resources. The allies of both BJP and Congress (I), together, fully supported the above.

Only the Communist Parties and their allies have been consistently opposing the economic privatisation, within their limited strength.

By Our Special Correspondent

(Courtesy : The Hindu - 30.11.1998)

[illegible]

Now, let us examine what are the National resources, National assets and public funds at stake and how much has already been looted by the capitalist-imperialist complex, details of which have been blacked out by the media.

59

The LIC, GIC, UTI etc., possess lakhs of crores of rupees of funds and assets. LIC alone has over Rs. 1,05,000 crores of "life fund" of 113 lakh policy holders. Under the WTO agreement, India is bound to privatise the insurance sector and other financial services including banking by March 1999.

It must be noted here that in Banking and Insurance sectors there is no need for any foreign investment or private investment or foreign technology because these sectors of economy will receive huge deposits if only there is credibility and proper Management. Then why Congress (I) and BJP Governments are pressing for privatisation of Insurance and Banking industries? The simple answer is to allow foreign and Indian MNCs to take control of the lakhs of crores of rupees of public funds available in the financial sector of the economy.

To facilitate milking away, successive pro-capitalist Finance Ministers of Congress (I), United Front and BJP Governments granted autonomy to "good" and profitable public sector banks, UTI, LIC and GIC. The message, therefore, is clear - loot the public financial sector through autonomy. In fact, autonomy is a precursor to privatisation and more corruption.

The same principle of "autonomy" is being applied in the case of Government media. Doordarshan has intentionally been made inefficient by making the programmes less interesting. The market has been manoeuvred to be captured by the private and foreign operators. Some bureaucrats sitting in the Government became the agents of the foreign MNCs and did the damage. They are defrauding the revenues of the Government in favour of certain private companies. Some of them have already joined the foreign companies after quitting Government media. With autonomy already granted, there is no improvement in the programmes of Prasar Bharati, but the total assets of Doordarshan and All India Radio estimated to be Rs. 58,000 crores, are at stake.

The Dalmias have been handed over the Rs. 700 crore worth UP Cement Corporation Factories at a throwaway price of Rs. 40 crores only. Dalmias were allowed to take control of the factories even before the actual payment. 12 workers were killed and 66 injured on 2.6.91 when the Dalmias were handed over the Dalla Cement Factory after privatisation. Earlier, the Dalmia family had amassed huge wealth in 1950s, in the Mundra scandal.

Maxworth Orchids (India) Ltd., has been allotted 30,000 hectares of land in Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra, Madhya Pradesh and Haryana. Now this land is being used for speculative purposes.

The 40 sq. km. Sukinda Chrome Ore Mines in Orissa worth Rs. 1500 crores are being leased out to a powerful Indian MNC under shady circumstances. An IAS officer dealing with the case and objecting to the proposal was found murdered under mysterious circumstances.

The Congress (I) Government has sold away to Denro-Ispat Group the Bailadilla Iron Ore Mines, which are one of the richest in the world, for a mere Rs. 16 crores whereas during the last two decades the Mine had earned a cumulative profit of Rs. 1765 crores.

The Congress (I) Government while reducing funds for oil exploration by public sector ONGC, has handed over the Tapti, Mukta and Panna oil fields to Reliance-Enron Multinational Joint Venture. The value of Mukta-Panna oil fields has been grossly under-valued by the Congress (I) Government to help Reliance-Enron. Whereas the actual value varies from Rs. 1,600 crores to Rs. 20,000 crores according to different estimates, this National resource has been handed over to Reliance-Enron by the Congress (I) Government for a paltry sum of Rs. 12 crores on 25 years lease. In a related development, the CBI admitted before the Delhi High Court that its case file relating to the probe into the Panna-Mukta oil field deal was "missing".

Further, Enron-Reliance Joint Venture has been allowed to sell Indian crude in India at the international price of Rs. 6,800 per MT against the indigenous price of Rs. 2,500 per MT. According to CAG, the ONGC suffered a loss of Rs. 1,244 crores in this scam. The Jharkhand Mukti Morcha case reveals the amounts of bribes paid and received out of this deal.

Further the Congress (I) Government had handed over the Ratna-R series Oil fields to Essar Group and Ravva Oilfields to Videocon-Command Petroleum (Australia)-Marubeni Corporation Combine, for a consideration, as has been revealed in the Jain Hawala case.

The assets (shares) of profitable public sector undertakings like Oil & Natural Gas Corporation, National Thermal Power

Corporation, Indian Oil Corporation, Mahanagar Telephone Nigam Ltd, Gas Authority of India, Hindustan Petroleum Corporation, Videsh Sanchar Nigam Ltd, Bharat Heavy Electricals Ltd, Bharat Petroleum Corporation etc; six top public sector banks including the State Bank of India; and the biggest public financial institutions viz., the Industrial Development Bank of India are being sold to Indian and foreign MNCs at very low prices by the BJP Government to facilitate "take over".

Taking advantage of the privatisation spree, politicians belonging to Congress (I) and BJP and their near and dear are benefitting themselves by appropriating public resources, assets and funds.

The BJP Government in Uttar Pradesh gave away 43 acres of Government land to Sadhvi Rithambara for Rs. 33 only in 1992. The RSS Chief Rajendra Singh has been condoned from paying a penalty (compounding fees) of Rs. 7.62 lakhs for illegally utilising a Government property in Allahabad.

The Vajpayee Government has allotted 68 acres of land in Delhi to Sitaram Bhandar Trust at a very cheap rate on the pretext of encouraging private housing.

In Madhya Pradesh, the Sangh Parivar (RSS-BJP-VHP-ABVP) acquired several public properties at throwaway prices. These include: 1.5 acres in Amar Colony, Bhopal, free of cost (market price Rs. 1.5 crores); One acre in Jawahar Chowk, Bhopal for ONE RUPEE (market price Rs. one crore); 18,000 sq. ft. land in Maharana Pratap Nagar, Bhopal for ONE RUPEE (market price Rs. 1.44 crores); 12,000 sq. ft. commercial space in Jabalpur worth Rs. 96 lakhs for Rs. 7.25 lakhs; 30 acres of land in Satna free of cost (market price Rs. 23 lakhs); and 200 plots of 5000 square feet each all over Madhya Pradesh worth Rs. 10 crores at free of cost to concessional rates for RSS-run Vidya Bharati schools.

The income from cheaply acquired public properties, the funds from MNCs through Hawala channels and huge donations from hoarders and blackmarketeers of essential commodities like onions, potatoes, edible oils, pulses etc., empower Sangh Parivar to acquire money power to purchase State power.

FRAUD ON SMALL INVESTORS

At the beginning of economic reforms in 1991, the pro-capitalist reformists and their media advertised that private companies especially foreign companies were offering huge dividends on investments and that there was vast scope for speculation in share prices. Simultaneously, many private companies were allowed to raise public funds during the regime of the then Congress (I) Finance Minister Dr. Manmohan Singh. The publicity by the media and the speculative game at that time prompted the small and medium investors to purchase shares of private companies in a big way with their hard earned money. Out of the 3,872 public issues allowed during 1992-96, about half of them are not traded today. At least one thousand companies vanished siphoning off thousands of crores of rupees of small investors.

The Congress (I) Government opened the floodgates for use of public money in Banks and public financial institutions to a select few. Harshad Mehta and such other persons utilised the loop holes in the banking system to the fullest extent possible and manipulated the stock market with the funds of State Bank of India and other public financial institutions. These speculators increased or decreased the share prices to gain unearned profits. By the time the whole game was exposed by accident than by design, The State Bank of India and other public financial institutions already lost more than Rs. 8,000 crores and thousands of small and medium investors lost their life time savings under the regime of economic liberalisation.

Similarly, the foreign investors were first allowed to enter the Indian stock market under foreign direct investment philosophy of economic globalisation. Later they were allowed to become stock brokers. After gaining foot hold, these foreign investors possessing enormous funds of international finance market, formed cartels and started manipulating the Indian stock market a la Harshad Mehta. Today a very large number of Indian investors lost their money to the manipulations of international finance capital. Those invested in the mutual funds of India public financial institutions

have also lost heavily because of the dubious speculative activities of these so-called foreign investors.

For the services rendered in terms of allowing loot of small and medium investors and public financial institutions, the pro-capitalist reformists describe Dr. Manmohan Singh as the most efficient Finance Minister, India ever had.

Around 40,000 Non-Banking Financial Companies (NBFCs) cropped up after 1991, in the private sector. Several of these NBFCs are linked to capitalists politicians. The CRB group of companies headed by CR Bhansali is reported to have looted the investors to the tune of about Rs. 1,200 crores. The JVG Group duped the people to the tune of another Rs. 600 crores. (The Chairman of JVG Group was arrested but released on bail on a bond of Rs. one lakh and two surities of Rs. 50,000 each).

The private sector Bank of Commerce and Credit International (BCCI) cheated its customers by suddenly closing down in July 1991. Similarly a number of private finance companies like DCM Group, Sahara, Kuber, Arihant, Crystal, Rapti, Krishi, Modern Group, Western Group, Prudential Group, Rounak Finance, Hoffland & Osprey, PLS have looted thousands of crores of rupees from small investors, under the regime of liberalisation. One Shiv Sena Minister in the Vajpayee Government was accused by 80 investors of "duping them of over Rs. one crore".

There are several private housing companies who duped the investors of their money. Similarly there are reports that about Rs. 10,000 crores have been robbed from innocent small investors by the "Plantation Companies". Despite this enormous loot, the BJP Finance Minister Yashwant Sinha claims that "NBFCs will boost the economy".

The Congress (I) Government at the centre duly supported by the "official" opposition party BJP introduced a Pension Scheme for about 1,80,00,000 contributory provident fund subscribers in the country in the year 1995. Almost all the provisions of the Scheme are intended to rob the subscribers of their savings. Under the scheme, the family pension contributions amounting to Rs. 8,900 crores so far accumulated from 1,80,00,000 members were transferred to pension funds. Additionally, every year around Rs. 5,000 is being diverted from each member's account to the pension funds without his/her consent. While the principle amount is,

more or less, appropriated by the Government, the pension promised to the subscribers under the Pension Scheme is not even equivalent to the interest on the diverted money. The employees were forced to join the scheme without getting any "option". Very few of those who retired are getting even the meagre pension promised under the Scheme.

So far, more than Rs. 27,000 crores of pension funds have reportedly got accumulated and the investment pattern has been changed. The BJP-led Government has since allowed a part of these pension and provident funds to be invested in the private sector to give benefit to private corporate houses. These funds are bound to be siphoned off in the years to come. Amongst all political parties only the CPI (M) and its trade union wing CITU, have really opposed the New Pension Scheme and the change of investment pattern meant to defraud the provident fund subscribers of their life time savings.

While the black-marketeers, smugglers and corrupt people who possess enormous amounts of black money have been given golden opportunity to whiten 70% of their black money by just paying 30% tax under the Voluntary Disclosure of Income Scheme or Samadhan Scheme, more than 1,80,00,000 wage earners' savings have been appropriated under the pension scheme and not even interest is paid on the money looted by the Government itself in order to spoon feed the private corporate houses.

The declared assets of top 10 MNCs in India have risen to Rs. 1,18,920 crores by 1997 from Rs. 34,538 crores in 1990. By 1997, the Tatas alone reportedly have in possession assets worth of Rs. 37,510 crores, the Birlas Rs. 19,497 crores and the Reliance Group Rs. 19,345 crores.

Thus, the entire process of privatisation is geared to shift the economic power into the hands of a few local and foreign MNCs. After looking at all the loot and plunder of India's National resources, assets and funds under so-called economic liberalisation, the question that should agitate any patriotic Indian is that why the Congress (I) and BJP are inviting those very foreign Multinational Companies in large numbers into India when only one East India Company of Britain could enslave India for over 200 years.

Therefore, it is obvious that the Indian capitalist class led by Congress Party fought for "self-rule" of Indian capitalists only but not for real Independence of India i.e. economic independence of people. The Congress Party had compromised with the British Imperialists can be proved by the way the Party was handed over power in 1946 itself, i.e. before the formal transfer of power in 1947. The votaries of pseudo-Quit India movement are now inviting more and more foreign MNCs into India. The sacrifices of lakhs of freedom fighters against British imperialism were for a different kind of Independence which was to subserve the interests of Indian people but not to serve the foreign and local MNCs.

According to one estimate, the British took away India's wealth worth of Rs. 8,75,000 crores (US \$ 2.5 trillion) at the current rate. The BJP incites the passions of Hindu majority against Muslim minorities by quoting some historical instances of religious atrocities or loot by small time gangsters to suit its vote bank politics. But neither the Party nor the Media supporting them ever raise the plunder perpetrated by the British earlier and is being continued by the British multinational companies like Hindustan Lever, even today.

The Indian and foreign MNCs planted their henchmen in all the pro-capitalist political parties like Congress (I), BJP and Janata Dal and in the media, to implement the privatisation programme.

The privatisation (disinvestment) of public sector indicates nothing but "**India on Sale**". **Privatisation of the public sector means privatisation of public resources, public assets, public funds, public employment, public transport, public distribution system (rationing), public services, Government schools, Government colleges, Government hospitals and so on.** A major part of the Indian economy has already been foreignised by successive Congress (I), United Front and BJP Governments in the name of economic globalisation, while retaining the Indian faces on the political front.

The agents of MNCs acquired the State power to sabotage the State sector.

The Impact Of Privatisation On People

The pro-capitalist economic reforms are not aimed at solving the problems of the people with regard to basic needs like food, shelter, clothing, health, education and gainful employment. The most important arms of economic reforms viz., devaluation, withdrawal of subsidies and privatisation are aimed at dismantling the social welfare infrastructure to pave the way for private monopoly of local and foreign MNCs in social sector as well.

The subsidies that were being given on education, health transport, electricity, fertilizers, food, diesel, kerosene etc., as a result of socialist influence aimed at giving relief to vulnerable sections of the people are being withdrawn or reduced and the money is diverted for the benefit of private corporate houses.

The pro-capitalist economists argue that the subsidies given to the weaker sections are a drain on the economy. They do not talk about the drain of more than Rs. 50,000 crores in different scams which benefitted a few hundred rich people. In the latest budget presented by the BJP Government for 1998-99, the total interest payments to rich people work out to Rs. 75,000 crores or 24% of the budget. But the total amount for subsidies to give relief to 80 to 85% of the population in different sectors has been reduced to just 7% of the 1998-99 budget. The total food subsidy to more than 90% population was fixed at Rs. 9,000 crores only in 1998-99 budget. Only 2 to 2.5% of the budget is spent on 40% poor people in the name of poverty alleviation programmes.

The subsidy given on electricity, fertilizers, pesticides etc., in agricultural sector (including that grabbed by rich farmers and

kulaks) helps to reduce the prices of food items substantially benefitting all sections of society. But as this subsidy is being reduced or withdrawn under the privatisation policy, the prices of agricultural commodities are raising almost daily.

Whereas the subsidies to provide relief to the poor and vulnerable sections are being reduced or withdrawn, more and more concessions in various forms are being given to the rich.

The pro-capitalist economists do not recover the arrears of Rs. 50,840 crores of income tax (as on 30.6.97) from the Corporate houses and big businessmen, most of whom are the supporters of Congress (I) and BJP. They do not recover the Non-Performing Assets (bad debts) of over Rs. 40,000 crores from the 3,995 business tycoons and political bigwigs, advanced by public financial institutions. Besides, more than Rs. 50,000 crores are doled out every year to the 5 to 10% rich in the country as interest on huge "deposits" made by them. To give subsidy to rich people in the form of "interest payments", more and more taxes are being imposed on the common people.

Even though the assets of top 10 MNCs in India have risen from Rs. 312 crores in 1951 to Rs. 1,18,920 crores by 1997, they avoid or evade paying excise duties, income tax, customs duties, sales tax and corporate tax. As many as 900 out of 2000 top India companies do not pay any corporate tax.

In the process huge black money of lakhs of crores of rupees has been generated over the years by the private sector in India. The capitalist politicians and their economists do not make any serious attempts to unearth the estimated Rs. 3,00,000 crores of black money in the country thus allowing huge subsidy to the rich. The Voluntary Disclosure of Income Scheme (VDIS), announced by the United Front Government, brought out blackmoney of Rs. 33,000 crores from 4,66,031 persons which is only the tip of an iceberg.

According to the latest information computed by the income tax department, there are 1.74 crore rich people in 12 major cities but a large percentage of them do not pay tax. The Vajpayee Government abolished "Gift Tax" to give direct benefit to the blackmoney holders. The BJP-led Government has also introduced "Samadhan" tax scheme to give benefit to the tax evaders.

Altogether, 1,11,290 tax evaders against each of whom income tax arrears of one lakh of rupees or more are outstanding, have been provided the opportunity to avail huge subsidy.

According to the statistics of capitalist economists, only 14.7% of the GDP is spent on 80 to 85% of the population and this clearly shows the disparities in income and distribution.

While the prices of diesel and kerosene which affect more than 90% of the people, are raised on the plea of need for reduction of subsidies, the pro-capitalist UF Government had reduced the price of Aviation Turbine Fuel by two-thirds and slashed surcharges in order to subsidise the private airlines.

In 1992-93 when the foodgrain stocks in the country had plummeted to 10 million tonnes, the Congress (I) Government imported wheat from America at a higher rate than what is given to Indian farmers. The net subsidy that was given to Americans in this wheat deal was estimated to be of the order of Rs. 700 crores.

In the implementation of economic reforms and structural adjustment programme by the Congress (I) Government at the Centre after 1991, several changes have been made in fiscal system which reduced the share of revenue of State Governments. As revenue of States has been reduced and Central Governmental subsidies withdrawn, the State Governments irrespective of their ideology have been forced to reduce funds for vital services like education, health, transport facilities and soon to go in for privatisation of these services rather unwillingly. They have been left with no other alternative but follow the structural adjustment.

However, it must be noted that while the State Governments led by Congress (I) and BJP took this opportunity to privatise the public resources, public assets and public funds, the CPI(M) led Left Front Governments dealt with the problems in a different way even though they got isolated on a number of occasions.

The CPI(M) led Left Front Governments in West Bengal, Kerala and Tripura have not been able to give full protection to the people for want of sufficient funds to continue the subsidies. But an attempt has been made to solve the problems within the compulsion of capitalist superstructure.

Let us analyse the impact of the privatisation programme on people with regard to various aspects of human life.

Impact on Prices of essential commodities and services:

Under the economic reforms, the first step taken by the Congress (I) Government was devaluation of rupee to the extent of 30%. During the last 7 years of economic reforms, the rupee got devalued to the extent of 91%. This devaluation has increased the costs of import of oil, fertilizers etc., and thus pushed up the prices of all commodities in the domestic market.

Secondly, the economic reforms have substantially reduced the subsidies on petroleum products. The cross-subsidy pricing policy (more subsidy to the items useful to the poorer sections than to the items used by the richer sections) has been abandoned. Of all the petroleum products, the price of diesel which affects the costs in agriculture, transport and freight; and kerosene which is used by poorer sections, have been raised.

Therefore, after implementation of economic reforms, due to devaluation and reduction in subsidies, the costs of transport and freight have gone up steeply. Further, reduction or withdrawal of subsidies on water, power, fertilizers, pesticides etc., have increased the costs of agricultural production. Both these factors are causing substantial increase in prices of all the essential commodities, foodgrains, oils, vegetables, pulses, salt etc. and bus/rail fares.

Besides, the economic reforms have altered the priorities in agricultural sector. The peasants have abandoned the traditional food crops like rice, wheat etc., due to unconomical market conditions and are resorting to cash crops like fruits etc. This has already reduced the production levels of wheat and paddy, thereby increasing their prices. The area under foodgrain cultivation has declined by 54 lakh hectares during the first three years of economic reforms. The food grain production has come down to 194.1 million tonnes in 1997-98 from 199.3 million tonnes in 1996-97. The country is now resorting to import of even onions, wheat, sugar etc. The country's food security is threatened.

The privatisation of trade has further led to the escalation in prices. State Trading Corporation, Food Corporation and other

Government agencies are not allowed to function. On the other hand, the whole sale traders were given the freedom of hoarding and blackmarketing.

The BJP stopped enforcing the Essential Commodities Act immediately after it came to power in Delhi in 1993. The wholesale traders who are mostly the supporters of BJP, took full advantage of this policy. They purchased the available sugar in the market and hoarded the commodity.

On its part, the then Congress (I) Government at the centre instead of checking hoarding, delayed import of sugar to help the blackmarketeers. Some corrupt officials of Food Corporation of India also helped the whole-sale traders by diverting or not releasing the Government stocks. In the process, the sugar prices had been jacked up from Rs. 9 to Rs. 16.

In the sugar scam, it has been calculated that around Rs. 5000 crores were fleeced from the people by the businessmen through hoarding and blackmarketing of "market economy". The poor man's cup of tea became very costly as a result of loot by the BJP-Congress(I) backed whole sale traders.

The same strategy was followed in the case of onions too. The price of onions was artificially raised from Rs. 4 to Rs. 60, whereby undue profits of about Rs. 3000 crores were earned by the businessmen. The conspiracy of adulteration of mustard oil is another gift of the Vajpayee Government to the people. In the process the prices of all edible oils had gone up from around Rs. 40 to around Rs. 80 per litre.

Despite the sky-rocketing prices, as a result of hoarding, adulteration and blackmarketing, the BJP Governments refused to enforce or enlarge the scope of Essential Commodities Act, 1955. The Vajpayee Government openly appeased the defended the traders, who are BJP's staunch financiers and solid vote-bank. Prime Minister Vajpayee went to the extent of declaring that **it was not illegal - under the law of the land - for the traders to "hoard"**. (The Hindu : 8.11.98).

The "hoard-and-jack-up-the-price" strategy has successfully been repeated by the whole sale traders with the blessings of both Congress (I) and BJP Governments, in the case of commodities of daily consumption like butter, arhar dal (red gram), urad dal (black gram), and wheat. The price of butter had been increased

from Rs. 7 for 100 gm packet to Rs. 12; potatoes from Rs. 4 to Rs. 25 per kg; arhar dal from Rs. 18 to Rs. 45 per kg; black gram (urad dal) from Rs. 15 to Rs. 35 per kg; edible oils from Rs. 40 to Rs. 65-86 per litre; and wheat from Rs. 4 to Rs. 10 per kg.

With the advent of businessmen-backed BJP Government at the Centre, the prices of all essential commodities are being hiked selectively one after the other to reap huge profits. Resultantly, inflation during the BJP-led Government has gone up steeply breaking all previous records.

Another reason for spurt in prices of all these essential commodities is the export business and globalisation. To keep pace with the profit margin in the export market, the exporters have raised the internal prices to match international standards.

To help privatisation of trade, the Congress (I) and BJP Governments in the State, weakened the public distribution system (rationing), drastically. On the one hand, they did not issue sufficient licences and stocks for the PDS; and on the other hand raised the prices of sugar, wheat and rice supplied through ration shops almost to the level of open market prices in the name of reducing subsidies. Today there is not much difference in the prices of essential commodities in ration shops and the open market. The Vajpayee Government has decided to take out sugar from the rationing system and decontrolled the sugar industry. As a result, the sugar price will go up considerably in the days to come and hoarders and blackmarketeers are set to reap huge profits.

While more than 25 million tonnes of foodgrains are rotting in Government godowns, the prices of wheat and rice are increasing because of privatisation of trade. The capitalist theory of "demand and supply" turned out to be bogus. The Government itself has become the biggest hoarder of foodgrains to give benefit to whole-sale traders. The people have been left with no place to go but to the market dictated by capitalist cartels, strongly supported by Congress (I) and BJP Governments.

The media owned by Indian MNCs, beat about the bush on the question of unprecedented price rise.

The export oriented pro-western reforms have taken away good quality fruits, vegetables, fish, coffee etc., beyond the reach of common man. Cashew nuts, prawns etc., are luxury for more than 99% people in India even though they are abundantly produced in

India. Even onions and edible oils have become luxury now for common people under the BJP-led Government.

The Vajpayee Government banned the consumption of common salt, which even Britishers could not do. This measure has increased the price of salt giving monopoly over Rs. 2,500 crore salt market to one Indian MNC.

Inspite of severe problems created by economic reforms, the CPI(M)-led State Governments in West Bengal, Kerala and Tripura are trying to supply 14 essential consumer items such as wheat, rice, sugar, soaps, edible oils, salt, matches etc., at subsidised rates to the people through the public distribution system.

It is only in CPI(M)-led States, food production has increased due to land reforms and prices are under control to a very large extent in comparison. The urban population is moving back to the villages, thereby reducing migration to urban areas.

There are still about 75,000 villages in India without electrification even after 50 years of self-rule. Instead of ensuring full electrification and increasing and improving the installed capacity, several problems have been created by the Congress (I) Government in power sector to pave the way for privatisation.

The existing State Electricity Boards have been made "unviable". Measures to utilise the installed capacity have not been taken. Proper staff in place of retired employees is not recruited. Contract employees are engaged in places where accountability, integrity and continuity are essential. Corruption has been given free "hand". Power supply has been made erratic. Distribution losses are being encouraged to prepare grounds for privatisation of distribution of power in the first phase. In this mess created by economic reforms, the electricity rates have been more than doubled during the last 5 years.

Because of the power purchase agreements with MNCs like Enron, and privatisation of distribution of power in the coming days where huge commissions (at the rate of Rs. 1.50 per unit), are proposed to be paid to the private parties, the per unit electricity rate for domestic consumption will go up to Rs. 5 or 6 very soon.

Speaking in Parliament on 17.9.91, the BJP leader Vajpayee forcefully argued for privatisation of the power sector. After coming to power, the BJP Government constituted the Central Electricity Regulatory Commission, in order to privatise the State

Electricity Boards and bring down the subsidy. Electricity will soon become a luxury for common people.

It is only in CPI(M) led West Bengal that power supply remains largely uninterrupted inspite of very low installed capacity.

Impact on jobs, incomes and living standards:

Over the years, the total employment generated in both public sector and private sector in India under the capitalist development is 254 lakhs only, whereas more than 391 lakhs of people are on the live registers of employment exchanges seeking jobs. The above 391 lakhs do not include the estimated 1200 lakhs of men and women, especially in the villages, who have not registered themselves with any employment exchange but seek jobs.

With the initiation of privatisation process, recruitment in public sector has been stopped from 1980. The public sector which could generate 22,00,000 productive jobs over the last 41 years is about to be closed down or privatised. Therefore, public sector would not henceforth generate any regular employment.

According to a workshop conducted by International Labour Organisation (ILO) and United Nations Development Programme (UNDP) in December 1991, the structural adjustment programmes (privatisation and closure of industries) under economic reforms were expected to render about 50,00,000 to 1,10,00,000 private sector/public sector/Government employees, jobless in the first phase.

Recruitment for Government jobs has been reduced. More than 3,50,000 vacancies in Government have not been filled up. The strength of the army has been reduced by 50,000 soldiers and a large number of important placements remain unfilled.

Due to decline in Government expenditure on irrigation, power, science and technology, agriculture, forestry, mining, fisheries etc., under the privatisation ideology, 16.5 lakh people working in these sectors have joined the ranks of unemployed.

The entry of MNCs into food processing industry such as jams, sauce, chips, pickles, biscuits etc., has seriously affected the Indian rural industries making lakhs of men and women jobless.

Two lakh workers lost their jobs in Haryana as a result of Pepsi's taking over of Bikaneri Bhujia. Cargill's entry into salt business displaced lakhs of salt workers from their livelihood. The BJP Government's ban on common salt has rendered about 12 to 14 lakh workers jobless. The deep-sea fishing rights given to foreign and Indian MNCs have deprived the traditional fishermen of their daily bread.

The capital intensive and automative technology under globalisation is rendering lakhs upon lakhs of people jobless in small and medium industries both in urban and rural areas. Lakhs of workers engaged in the cooperative sector are getting unemployed or underemployed due to the entry of MNCs.

After introduction of capitalist reforms, the number of sick units is growing at an alarming rate in the small scale and medium sector. Today there are about 4,00,000 sick units in the private sector.

With the structural adjustment programme under implementation, a very large number of employees both in private as well as public sector companies are either being retrenched or retired. Upto 1995-96, 2,64,000 public sector employees were retired. In 1997-98, another 1,10,104 employees were retired through voluntary retirement scheme (VRS). This VRS has been converted into compulsory retirement scheme (CRS) by the Vajpayee Government in the wake of decision to close eight PSUs in August 1998.

In some cases like public sector Delhi Transport Corporation, thousands of workers were terminated illegally in order to reduce the work force by all means.

In the private corporate sector, the Empress Mills owned by Tatas was closed down throwing out 7000 workers and their families into the streets. Tata companies like TOMCO and TISCO, British MNC Hindustan Lever, Godrej, AF Fergusons, Murphy India, Mafatlal Engineering, Mahindra & Mahindra, Ceat Tyres, Guest Keen Williams, Asian Paints, Voltas, Blue Star, Premier Automobiles, ITC, JK & Sons are retrenching their employees through illegal and dictatorial methods.

On the other hand, the contract system of jobs on daily wages or temporary basis has been introduced both in public sector as well as private sector to reduce the wages/salaries of employees and abolish certain perquisites. The minimum wage prescribed for a particular job has been converted into maximum fixed wage, thus

rendering the contract employees under-paid everywhere. The provident fund, bonus, medical facilities etc., that should legally be given to the employees are being appropriated by the contractors and corrupt officials.. The contract employees are treated worse than slaves. Whereas slaves were assured of sufficient food and shelter by their masters, the contract employees under privatisation regime are not sure of even sufficient food with the meagre wages that they get from the contractors.

Even the journalists in the Media are appointed on contract basis by the private corporate houses and thus the journalists are not "free" to publish the news or express their views.

Out of those entering the job market every year only around 10% are able to get ad hoc, daily wage, temporary or contract employment. The rest remain unemployed.

As per the law (Contract Labour (Regulation & Abolition) Act), employing workers on contract or daily wage basis on perennial or permanent nature of jobs is illegal. Yet the law is violated with utter contempt and the law enforcing authorities, especially in the States ruled by Congress (I) and BJP remain silent spectators. The contractors throw out the workers every now and then in order to circumvent the labour laws. The workers are innocently becoming the victims of protracted litigation which in almost all cases is going against the workers on some or the other technical grounds. The judiciary has become a mute witness to this farce. Even in the very few cases where the Supreme Court ordered regularisation of contract employees (e.g. AIR 1997 SC 645), the order remains unimplemented.

The private sector industries employ workers mostly on an ad hoc basis even though the jobs are of permanent nature. In Delhi alone about 11 lakh workers are employed on temporary basis. The working conditions in these industries are shockingly miserable where accidents or fires are a daily routine killing/maiming thousands of workers every year. The owners of these private industries never bother to take any precautionary/preventive measures against hazardous and unhealthy working conditions and the law enforcing authorities keep mum due to "corruption market". Under the patronage of Congress (I) and BJP State Governments, the "private entrepreneurs" force the workers (including teachers) to sign for higher emoluments but pay less than the minimum wages under law. If any employee dares to

complain or form a trade union, he is removed from his job the very moment.

While ILO conventions on minimum wages, social security etc., are being trampled under foot by the Congress (I) and BJP Governments, the Supreme Court's pronouncements led to aggravating the problems of the workers in Delhi, Uttar Pradesh and some other States. Instead of forcing the polluting industries to take anti-pollution measures or asking the State Government to take steps for environmental protection, the Supreme Court simply ordered closure of thousands of industries in several States. In spite of the fact that industrial pollution accounts for only 12% in Delhi as per official reports as against 65% pollution by vehicular traffic, the Supreme Court ordered closure of 39,000 industrial units. Around two lakh workers of these industries have been thrown out on the streets without jobs or compensation.

It becomes difficult to believe that the Hon. Supreme Court are not aware that closing and re-locating the industries is not a simple affair. It is also difficult to believe that the Hon. Supreme Court are not aware that affected workers in these industries are not working on permanent rolls or with any records in these days of hire and fire policy of privatised employment. Still no safeguards have been provided for these displaced workers by the Apex Court nor the trade unions were given proper opportunity to present the workers' case.

The Supreme Court with no powers to provide employment to citizens, because "right to employment is not a fundamental right", has unfortunately rendered lakhs of workers jobless.

The Rent Act which has been passed by the Parliament with the active support of both BJP and Congress (I), in line with the philosophy of "private enterprise" in housing sector, has helped in sky-rocketing of rents all over the country. The Urban Land Ceiling Act has been repealed by the BJP Government to help Indian and foreign MNCs to acquire more and more properties. In order to maximise the profits of private companies in construction industry, the BJP Government debarred Government agencies from housing construction. In the process land grabbing is taking place. Government lands are being handed over to private parties under various pretexts.

Affording proper accommodation on rent has become difficult for crores of urban population. Construction of a new house or

flat has become a day dream for those below the Higher Income Group.

About 5,00,000 women in India are forced to resort to prostitution to eke out a livelihood under the capitalist system of human rights. After introduction of economic reforms, more and more women are reportedly turning to the oldest profession in the world. Child prostitution is said to be becoming more rampant. The media derogatorily call the unfortunate prostitutes created by the capitalist system as "sex workers".

In several fields like agriculture, unorganised sector, self-employment and petty business, the real incomes have decreased, when compared to price hike. The living standards are falling rapidly after privatisation of employment. The Media controlled by Indian MNCs do not have the freedom to attribute these evils to the capitalist system and privatisation of employment.

The capitalist system and privatisation of employment have turned the people into slaves or beggars. Poverty and deprivation cannot be removed by charity and half-baked schemes like Jawahar Rojgar Yojna. Growth cannot be achieved by keeping crores of productive labour unemployed and under employed. Poverty can be removed only by land reforms, generation of all round employment and equitable distribution of wealth.

Impact on transport services:

Before economic reforms, subsidised public transport system used to provide cheaper and convenient link for movement of people.

To pave the way for privatisation, the public transport services, at the outset have been reduced after 1991 especially in States ruled by Congress (I) and BJP. The Road Transport Corporations have been turned into sick units by breeding inefficiency and withdrawing/reducing services and subsidies. Corruption has been given full freedom. The media misguided the people with false propaganda that private transport services would be more efficient and competitive in comparison to public transport services and made the people accept privatisation. The Congress (I) and BJP gradually privatised the transport services in the States ruled by them.

The people were, afterwards, left with no other alternative than to resort to private vehicles or depend on private transport.

Consequently, during the last 6 years, the number of private vehicles on roads has increased manifold. For example in Delhi as against 28,899 public transport vehicles (buses etc.) there are around 25,00,000 cars and scooters. Because of the steep increase in the number of private vehicles, the consumption of petrol and diesel has increased in the country. Consequently, the import bill of petroleum products has gone up steeply from Rs. 17,838 crores in 1994-95 to Rs. 33,380 crores in 1996-97 i.e. nearly doubled in a span of two years.

The increase in the number of private vehicles resulted in the increase of pollution levels especially in metropolitan cities causing severe health problems for crores of people. The school going children are the worst affected.

It is estimated that around 51,000 people died of pollution related diseases in 1995 alone in 36 cities. The capitalist media fight shy of agreeing to the fact that the increase in pollution levels is due to the indiscriminate privatisation of transport sector.

After privatisation of transport services, the services have not improved, as propagated earlier by the media. As experienced, the private buses do not cater to the needs of moderately populated areas nor do they follow proper timings. However, to make the transport business lucrative for their private bus operators the Congress (I) or BJP Governments raised the bus fares by 300 to 400 percent.

Excessive profit motive coupled with inhuman and unscrupulous working conditions dictated by the owners upon the private bus drivers is leading to too many accidents at several places. For example, 28 school children died in November 1997 in Delhi, as the overloaded private bus plunged into the Yamuna river. But the blame was heaped only on the bus driver and those responsible for privatisation of transport are honoured.

India holds the dreadful record for the largest number of road accidents and deaths in the world. About 5,00,000 people died in road accidents in India in 1990 alone. The death rate is increasing as more and more private vehicles are coming out on the roads. But the press and other media have no freedom to attribute the steep increase in bus fares and road accidents or deaths to the privatised transport services.

Even after 50 years of self-rule, the Indian capitalist regime

could not provide cheap and safe transport to the workers of this country to commute to their places of work. And the privatisation of transport sector has aggravated the problems of people.

It is only in CPI(M) led States like West Bengal where cheaper transport services are being provided by encouraging cooperatives of unemployed youth.

There are about 2,00,000 villages in India which do not have any road network. The privatisation of roads and bridges already under implementation would lead to further miseries for the people in terms of toll tax etc.

Impact on public health services:

During the last 50 years of capitalist development, India has 140 lakhs i.e. nearly 25% of total TB patients in the world. Every year over 5,00,000 Indians die of TB. Over 20 lakh people suffer from Malaria every year. India also has 54% of world leprosy patients. Only 10% Indians have proper sanitation facilities. 69% of new born babies in India suffer from malnutrition. (Source UNICEF, Progress of Nations, 1995)

There are 6,00,000 villages in India without sufficient drinking water. Over 10 lakh children die every year because of water-born diseases. Largest number of the jaundice (Hepatitis B) patients of the world are from India, who also account for the largest number of deaths.

Over 30 crore people suffer from under-nutrition in India. The UNICEF reports that the world's largest number of children from India under the age group of 5 years, who constitute 53 per cent of the world, population suffer from malnourishment. On an average more than 29,00,000 children die every year (8000 per day) in India due to malnutrition. Nearly 2 lakh children die of tetanus every year. Nearly 1/3rd of child deaths of the world, occur in India.

The malnutrition which impairs the immune system leads to heart diseases, diabetes, high blood pressure etc., and these are on the rise in India.

About, 80% of Indian women suffer from Anaemia (haemoglobin deficiency). At least 12 lakh mothers die of pre or post

natal complications, every year. Adulteration in food items and medicines is taking its own toll. The recent dropsy deaths due to adulteration of mustard oil is the concrete example.

Because of the above prevailing conditions of malnutrition, adulteration and disease, Indians are very weak physically as compared to the people of developed countries.

Instead of improving the above conditions in public health, the economic reforms and privatisation on the contrary, have a debilitating impact on the health of the people.

While all State Governments are affected with reduced funds because of withdrawal of subsidies and reduced share of revenues, the budgets for public health services have been drastically cut especially in the Congress (I) and BJP ruled States.

Because of the reduced budgets and contract system of employment in the health sector, the staff to clean the public places is not appointed properly and the materials to clean public utilities are either not provided or are less than sufficient.

It can be observed that diseases like plague, jaundice, cholera, TB, chicken pox, measles, diphtheria, malaria, kala azar, typhoid and dengue have flared up during the last 4-5 years. The above diseases were more prevalent in the BJP or Congress (I) ruled States like Delhi, Gujarat, Uttar Pradesh, Orissa and Rajasthan.

Within the first year of economic reforms, the number of cholera cases and deaths in the country have doubled. The number of people dying due to Malaria and Kala Azar has increased by more than 30%. TB, jaundice, and malaria have become much more serious diseases afflicting all sections of people in all States but the Government and the Media conduct awareness programmes only on AIDS.

The reduced budgets have seriously affected the efficiency of Government hospitals. Sufficient number of doctors, nurses and other staff to run the Government hospitals are not recruited. There are Government hospitals where doctors are employed on a consolidated monthly wage of Rs. 2,500/- without any other allowance or even leave. Proper medicines and equipment are not made available.

However, the public wrath misplacedly often falls on the staff of the Government hospitals but not on the Congress (I) or BJP Governments. It is because of a distorted projection by the media.

especially the Press. The media never attributes the chaos in Government hospitals to the privatisation policy.

On the other hand, the Congress (I) and BJP, in the States ruled by them, have encouraged private hospitals and nursing homes by granting sites, licences, liberal loans with Government equity, permits etc., to their near and dear ones. The people have, thus, been forced to go to private hospitals and nursing homes as Government hospitals have been made inefficient. In the private hospitals and nursing homes, even simple medical care and hospitalisation costs have become dearer. The cost of investigations, tests, X-rays etc., have gone beyond the reach of 80 per cent of the population especially for the rural people, as a result of privatisation of medical services.

The BJP has over simplified the problems associated with health sector with ridiculous announcements. In Delhi, the BJP Government banned wearing of skirts by school girls in order to "prevent malaria". When some one demanded that the BJP Government should ban "RSS knickers" also for the same criterion, the ban on skirts was promptly withdrawn.

While passing strictures against Union and Delhi Governments for 1996 Dengue epidemic, the Delhi High Court observed that Dengue epidemic broke out because of "..... poor garbage collection which creates more mosquito-breeding places, inadequate health education, insufficient mosquito control programmes and resistance of mosquitoes to insecticides". The point is, how can the above work be done with reduced budgets under economic reforms and privatisation of Government's health services!

As a result of privatisation policy initiated by the Congress (I) on behalf of MNCs, to kill the public sector and loot the market, the pharmaceutical companies in the public sector like the Indian Drugs and Pharmaceuticals Ltd (IDPL) and Hindustan Antibiotics Ltd (HAL) were forced to stop production and consequently rendered sick. The public sector companies were not provided with sufficient funds to produce even essential drugs and medicines which used to be cheap and the best. Marketing facilities to supply medicines and drugs even to Government dispensaries like CGHS, ESI etc., were denied to IDPL and HAL.

Parallely, private pharmaceutical companies have been encouraged. The mushrooming of private pharmaceutical compa-

nies has not in any way resulted in "quality" or "competition" or reduction in prices of drugs and medicines as has often been falsely propagated by the media. On the contrary, the prices of all medicines and drugs have gone up by more than 300 per cent during the last 4-5 years because of excessive profitism associated with privatisation. The Vajpayee Government allowed the increase in prices of 71 drug formulations in one stroke. The cost of treatment for tuberculosis is around Rs. 600 per month. An anti-Malarial drug Artisunate costs Rs. 49.17 for 4 tablets. So is the case with medicines for control of diabetes, blood pressure etc., which are used daily by crores of people.

The Exclusive Marketing Rights (EMRs) being provided to foreign MNCs by the BJP Government with the support of pseudo-opposition Congress (I), will push up the prices of medicines further.

Under such hyper inflation in the cost of medicines, a parallel market of spurious drugs is flourishing without any check from reduced Government machinery. In some cases the medicines of sub-standard or hazardous nature are being manufactured.

The MNCs in the pharmaceutical industry are producing drugs and medicines in high profit areas only. In the rigged pharmaceutical market, the doctors are induced to prescribe irrelevant and irrational drugs. The WTO sponsored patent laws have already pushed up the drug prices already. Even the medicines provided by "Nature" like neem, turmeric etc., are being patented.

Developed countries like US, Canada, Germany, Switzerland are shipping huge quantities of hazardous and toxic wastes into India in the name of "humanitarian aid", "raw material" etc., through their unscrupulous Indian agents. Proper Government machinery is not available to check this crime against Indian people under corrupt privatisation regime. The economic reforms have reduced the role of Drug Controlling Authority - rather made its functioning impossible.

The "profitism" concept under economic reforms has percolated to the villages too. In order to make a fast buck, the milk suppliers are producing synthetic milk and odytocin-infected milk. With reduced staff and Government machinery under economic reforms regime, there is nobody to check this menace of "playing with peoples' health".

Raising the level of incomes of people coupled with effective Government machinery to intervene in health sector only can protect the people from ill-health, disease and other hazards and malpractices. Leaving the malnourished and innocent children, women and people at the mercy of "private enterprise" without Government intervention is a crime committed by the capitalist system on human rights and values. The MNC-owned media never attribute these evils to capitalist system and economic reforms.

Impact on Education

During the last 50 years of capitalist development, India has the shameful distinction of having 32.88 crore illiterates, who constitute 50% of world's illiterates. Only 3% children of the relevant age group are provided with the facilities to pursue higher education in India.

Without rectifying the above position, the privatisation policy has made education, a business proposition. All sorts of alibis are being advanced for the purpose of privatising the education sector. While the pro-privatisation lobby is propagating that they will provide "quality education" in private institutions, the Congress (I) and BJP politicians are claiming that after withdrawing subsidies to higher education, they will provide primary education to all.

But in practice, the Congress (I) and BJP Governments in States slashed down all subsidies including the one for primary education. The Congress (I), BJP and even Janata Dal leaders openly speak of voluntarism in education (each one - teach five). This clearly shows that the Governments of these parties have abdicated their responsibility to provide even primary education to the people under privatisation policy.

To facilitate privatisation, first of all many impediments have been created by the pro-privatisation Governments in the matter of educational facilities. Proper funds were not made available in the name of reduction of subsidies. Even research posts were abolished. Sufficient number of teachers were not appointed. Anomalies have been created to make teachers fight each other. Proper infrastructural facilities have not been provided. Funds for books, magazines, libraries, research, laboratories, hostels, equipment etc., have been drastically reduced. On the other hand, the press and

other media planted stories from time to time to discredit the Government educational institutions to make people accept privatisation of education.

Side by side, the BJP and Congress (I) ruled State Governments handed over huge Government lands to their friends and relatives at very nominal rates to run private schools and colleges. Besides liberal Bank loans were provided to construct buildings and acquire infrastructural facilities like transport.

Consequently, today to provide meaningful education to their children the parents are compelled to turn to private schools and colleges. As against free or nominal charges in Government schools and colleges, the parents are forced to pay thousands of rupees to private schools and colleges in the form of registration fee, admission fee, building fund, donations, etc. The fees are hiked arbitrarily every now and then in the private schools which paradoxically call themselves "public schools". The teachers are not paid even the minimum wages and are blackmailed with loss of jobs.

The private engineering and medical colleges are not very efficient either which are mushrooming all over the country without sufficient technical and infrastructural facilities. The charges are, however, very high. For example, an engineering/MBBS course costs around Rs. 3000 per annum in Government colleges/institutions, while the same course in private colleges costs anything between Rs. 25,000 to Rs. 1,40,000 per annum as decided by the Supreme Court in a number of cases. In actual practice, the private engineering and medical colleges charge much more. Even the Government educational institutions like IIT have increased the fees by 10 times i.e. from Rs. 1500 to Rs. 15,000 per annum as the subsidies on education have been slashed, as a result of privatisation policy. The fees in Government educational institutions are being increased gradually to make them at par with private institutions.

Higher and technical education in India has gone out of the reach for more than 95% of population because of privatisation of education. Nearly 50% technical education seats in engineering, medicine etc., in private colleges are sold for money only. The competitive examinations that are conducted to fill the seats in Govern-

ment institutions and the remaining 50% seats in private colleges have been manipulated in such a way to give advantage to rich students. The recent examples of Indian Institute of Technology, Delhi College of Engineering and EAMCET (Andhra Pradesh) reveal that some of the private coaching centres procure the question papers of entrance examinations for medical and engineering seats at a price and then pass on the questions to the students at a price. **Thus, the scheme of entrance examinations and payment seats after privatisation of education has reserved 100% seats in medical and engineering education to the top 3% rich people.**

The privatisation of education under economic reforms has deprived the people of their fundamental right to education at all levels.

Impact on social life and law and order:

The privatisation policy in various sectors of economy has increased the profits of the rich and decreased the wages of the poor thus widening the gap between rich and the poor. These widened disparities are taking the society to hatred, quarrels, murders, riots, clashes, robberies, kidnappings, suicides, cheating, shoot outs, loot, prostitution, child labour, lack of human values and violation of human rights. As a result, the law and order under privatisation regime has worsened. The privatisation regime has created more and more thieves, goondas, robbers, dacoits and murderers both in social and political fields. On an average 47 murders take place every month in Delhi alone. At least one to two pages of daily newspapers are filled with crime news only.

The expenditure on law and order machinery, specially to protect the affluent sections of society, has increased to over Rs. 6,000 crores every year.

In the caste-communal-secessionist clashes that are being engineered by the capitalist-imperialist complex to divide the people and rush through the privatisation programme, it is not only the people, but even police and military personnel are killed in large numbers every year.

In the mad rush to reduce the manpower by all possible methods, the Congress (I) Government has made many Railway

crossings "unmanned". So many accidents are occurring at these unmanned railway crossings.

Abject economic and social insecurity created by economic reforms has been forcing thousands of people, especially the women to commit suicides every year.

Due to lack of regular employment the youth are not in a viable position financially to get married and lead peaceful family life. On the other hand the exposure of more sex on the electronic media is leading to more and more rapes in the society. India holds the world record of highest number of atrocities against women.

But the capitalist theoreticians and their media do not have the "freedom" and "conscience" to attribute these evils to capitalist system, economic reforms and privatisation policy because the media work under the dictates of their owners and their foreign mentors.

The privatisation of services sector and consequent "Contractor Raj" is creating peculiar problems for the people and the society.

In the matter of issue of identity cards to voters, the work of preparation and distribution of identity cards has been given to private contractors under tight time schedules set by the then Chief Election Commissioner TN Seshan. The contractors, out of inefficiency on the one hand and with the aim of maximising their profit on the other, have mixed up the names, photos, age, sex and address of the voters in almost all the States, resulting in duplication and even triplication of work. Thanks to TN Seshan and Contractor Raj, it is estimated that more than Rs. 1000 crores of money has gone down the drain with which money the rural housing problem could have been solved to a large extent. The voter identity card issue is a typical example of misplaced priorities of capitalist politics.

The Staff Selection Commission has given the task of preparation and despatch of hall tickets for Clerks Grade Examination 1996 to private contractors. The private contractors repeated the inefficiency by mixing up the photos, names and other particulars of the candidates, causing great inconvenience and hardships to the candidates and huge loss for the Government.

The Delhi Vidyut Board privatised the distribution of electricity bills and there are instances where the contractors dumped

the bills in dustbins but claimed the remuneration from DVB. Fixing of responsibility in such cases has become a farce.

In the preparation and printing of question papers for UPSC, IIT, Delhi College of Engineering, EAMCET, Rajasthan Public Service Commission etc., private contractors were involved and the question papers invariably leaked out. The honest candidates lost their precious time and opportunities and huge losses were incurred by the public exchequer for holding the examinations again.

In the case of HPCL in Visakhapatnam and SCOPE Complex in Delhi, the security and fire fighting functions have been privatised and given to private contractors. Consequently, suspected sabotage became very easy as the contractors employed workers on daily basis. Under such circumstances fixing accountability and responsibility has become a farce and everybody was exonerated. In the controversial fire accidents at Visakhapatnam and Delhi huge losses were incurred by the public exchequer because of privatisation of even security services.

The construction of roads, buildings, bridges etc., or services like water supply under "Contractor Raj" are the worst in quality leading to huge loss to public exchequer and inconvenience to the people.

All these contractors are strong supporters of Congress (I) and BJP - both financially and politically. The media controlled by private monopoly houses continue to propagate that services by private enterprise are very efficient.

A new situation of blackmail has arisen after privatisation of the services sector. Bitten by the severe uneconomical economics of economic reforms, the private schools, bus operators, petrol pump owners, truck operators etc., are holding society to ransom by disrupting the services or increasing the charges at their free will.

Newspapers like The Times of India, The Hindustan Times, The Indian Express, The Hindu, The Statesman etc., which used to brand any strike as "black mail" are silent about this black mail by "private enterprise".

Although the pro-capitalist reformists have earned crores of rupees through their cunning manoeuvres, yet they and their families lack the essential social security and peace because of contradictions in criminal capitalist society.

Deception By The Capitalist Theoreticians

During the last 50 years of World Bank-IMF-WTO affiliated capitalist development in India, the country has incurred a total internal and external debt of over Rs. 6,00,000 crores. During the first 5 years of economic reforms, the foreign debt has increased by more than Rs. 1,00,000 crores.

The annual interest payments on this huge debt work out to over Rs. 75,000 crores for 1998-99 and are increasing every year. While the total debt servicing (including principal amount) needs Rs. 1,75,253 crores, the projected revenue collection is Rs. 1,61,994 crores only for 1998-99. Therefore, for repayment of debt, new loans are obtained to the tune of 29% of the budget.

The debt service far exceeds the fresh foreign loans obtained every year. During April-Dec. 97, there was a net outflow of Rs. 2031 crores worth foreign exchange, which in economic terms is called "debt-trap".

So, where are the strong fundamentals for the economy that are pronounced by the capitalist economists?

Under the above "debt trap" conditions, successive Indian Finance Ministers and other pro-capitalist economists feel very happy on bringing in more and more loans. The Vajpayee Government brought a further loan of US \$ 4.16 billion (Rs. 17,500 crores) as Resurgent India Bonds and feels very proud of the 'achievement'. The repayment burden on this loan will be very heavy.

The capitalist economists want "full convertibility" of rupee which means that the speculators in international finance market controlled by MNCs will determine the exchange rate of rupee against dollar on a daily basis, irrespective of export potential of the country.

After obtaining such huge loans from World Bank-IMF in pursuance of pro-MNC reforms and allowing full convertibility, Mexico had become bankrupt in 1994. South Korea, Indonesia and Thailand which used to be described by the capitalist economists as "Asian Tigers" have become bankrupt by the end of 1997. Brazil is the latest country to face bankruptcy as a result of pro-capitalist economic reforms. South Korea is getting burdened with a further loan of US \$ 55 billion (Rs. 2,20,000 crores), Indonesia with US \$ 40 billion (Rs. 1,60,000 crores) and Thailand with US \$ 17.5 billion (Rs. 70,000 crores). In the process of bankruptcy, the value of Indonesian currency Rupiah has dipped to a low of Rs. 10,000 per 1 US dollar.

The high prices and unemployment led the people of Indonesia to loot whatever came their way but the capitalist theoreticians and media cleverly shifted the blame for high prices on Chinese traders and incited the people to attack the ethnic minority only. The trick temporarily saved the real culprits. However, in the course of repression let loose by the fascist-capitalist regime in Indonesia, more than 1,200 people were reportedly butchered, while fighting for their "right to live". There were many students among those killed.

Similar unrest over privatisation of economic resources, high prices and unemployment is spreading in Malaysia, Thailand, South Korea and so on.

The capitalist media including the CNN, BBC and the press are blocking this information from reaching people the world over.

According to Davison L. Budhoo, an ex-employee of IMF, economic reforms, liberalisation and structural adjustment (privatisation) programmes have ruined the economies of about 70 countries in Latin America, Sub-Saharan Africa and Asia.

The former socialist countries like Russia, Poland, Romania, Hungary etc., have become victims of ill-conceived privatisation policy. The IMF prescribed US \$ 23 billion (Rs. 96,600 crores) loan failed to retrieve Russia from capitalist bankruptcy.

The capitalist economists lament that the Government have no funds to invest in infrastructure like power, roads, communications, housing, education, health etc. How can the funds be available when there is an unfettered loot over the years? The astronomical lending of more than Rs. 6,00,000 crores shown as debt (both internal and external) has not been earned by the de-

positors through their sweat and blood. A major part of this huge money has been looted from the Government exchequer or the common people over the years.

Inspite of the above astronomical loot, huge funds running into lakhs of crores of rupees are still available with the Government financial institutions like Banks, LIC etc., to undertake developmental and infrastructural needs of the country. But these funds too are about to be looted through privatisation of financial sector.

On the one hand, the capitalist economists are clamouring for "investment" on the pretext that funds are not available; and on the other resorted to "disinvestment" of public sector. When investment was needed, why disinvestment? That too why the public sector alone? Why not withdraw or disinvest the Government equity held in private sector also? Why not privatise the private sector where thousands of crores of rupees of public funds have been invested and which are either locked up in sick companies or being misused for acquiring political power and monopoly over economy?

If these funds locked up in the private corporate sector are disinvested or recovered for reducing the fiscal deficit or building the infrastructure or for reducing the NPAs or for modernising the strategically and nationally important public sector, then huge funds would be available. But the capitalist economists, privatisation of economic resources being their aim, are not interested in disinvestment of Government equity in private sector or **"privatising the private sector"**.

The disinvestment policy of capitalist economists from a layman's point of view does not look like economic management but like selling one's wife to go to a brothel house.

The capitalist economists are dishonest in calculating the poverty level of people. They take only the consumption value of food in-take to measure poverty. They do not consider the people who employ beg, borrow or steal methods to consume food, as below poverty line.

Even with such defective and incomplete statistics, the people below poverty line in India is estimated to have increased to 40.7 by 1992, after introduction of economic reforms. In Karnataka and Maharashtra the poverty level is estimated to be 66.6% and 62% respectively. (Economic & Political Weekly : 3.6.1995). Ac-

cording to Human Development Report 1998, the population below poverty line in India is estimated at 52.5%.

The capitalist theoreticians trumpet about the "market economy" as if it is a panacea for all capitalist evils. The reality is that the market economy can neither control corruption nor crime which are on the increase after implementation of privatisation programme. Where is the "market" when unscrupulous profit-hungry private businessmen adulterated the mustard oil and sentenced the entire mass of people to untold problems?

Today people do not invest money in the shares or fixed deposits of private companies as the private sector lost its credibility.

While USA, Japan and other developed countries are resorting to all sorts of protectionism in order to protect the interests of their MNCs and economy, the capitalist economists in India, being the agents of foreign MNCs, are opening up the Indian economy to foreign hawks.

The capitalist theoreticians have a different idea about inflation (rate of increase in prices). They argue that a higher rate of inflation is necessary for development. Their idea is that with inflation rising, the profits of MNCs will go up and that is considered as "development". Growth of the economy (of MNCs) with loot of the people.

The World Bank-IMF prescribe reduction in fiscal deficit and for this purpose want privatisation (disinvestment) of public sector. At the same time, they do not prescribe "privatisation of the private sector". They prescribe withdrawal of subsidies but do not prescribe any reduction in interest burden in order to reduce "fiscal deficit".

The WTO prescribes "dumping" of goods in underdeveloped countries in the name of "competitive prices" but does not stand against protectionism of developed countries. The WTO thus has become a weapon in the hands of developed countries led by USA to enforce economic imperialism. Former RBI Governor S. Venkitaramanan agrees that "WTO is an instrument of Multinationals".

The capitalist economists and their media denigrate the socialist economies as control regimes and totalitarian regimes. But control and planning are necessary for both economies and human beings. In the uncontrolled and unplanned economic condi-

tions in India and elsewhere in capitalist countries, there is all round recession. There are no buyers for products like Cars, TVs, Refrigerators, Washing Machines, VCRs, Scooters etc., as people do not have the necessary purchasing power.

The capitalist theoreticians are for "cut back" of the Government's role from the fields of public services, industry, public sector, education, trade, health, transport, banking, insurance, and so on and also strongly plead for reduction of Government staff. At the same time, these theoreticians want the Government to act efficiently and effectively in cases of out break of epidemics, accidents, natural calamities etc. They want strong governmental action to protect law and order; they want the Government to protect the people by employing more security personnel; they want finances from Government for all private enterprise projects; they want lower taxes on the rich; they want freedom to evade taxes by opposing tax raids; they want the Government to act firmly against pollution control, crimes, murders, and so on. How can the Government withdraw from all activities, reduce its manpower, and at the same time provide more funds and personnel to give protection to the people? In other words, the pro-capitalist reformists want a shrunk Governmental machinery and protection of the rich class only.

The privatisation process has opened the flood gates of sub-standard goods and services from private sector. At the same time, the Government machinery to monitor these increased anti-social activities has been reduced drastically. Therefore, the onus for defective goods and services has cleverly been shifted on to the people themselves by the capitalist theoreticians. The people have to approach Consumer Courts which consume the consumers' time unlimited.

While the complaints continue to pour in, the Judges on the Consumer Courts are appointed on contract basis at a very low remuneration. It can be anybody's guess whether these judges will not be influenced by the market forces of "corruption"! Even if the judges stand forth right, there is no governmental machinery to enforce the judgments of the Consumer Courts. There is no effective machinery even to enforce the Supreme Court Judgments with regard to labour laws. Consumer Courts have become a vicious circle to give the aggrieved consumers a long rope to hang themselves.

The consumer "KINGS" created by the capitalist theoreticians go on begging for rectification of their sub-standard goods or roam around consumer courts. The CONSUMER KINGS pay more and more through their nose for their daily needs of onions, edible oils etc.

The pro-capitalist reformists argue that the communist China is also allowing the MNCs. This is a self-deceptive argument. While allowing the MNCs to satisfy her socialist developmental needs on its own terms, China has not compromised on "self-reliance", public sector and employment generation. In simple words, in China it is the Government which decides the priorities, whereas in India, it is the MNCs and their agents in the Government who decide the priorities.

As against India's 245 public sector enterprises, in China there are 1000 big and another 3,00,000 small and medium State sector enterprises. In reforming these large number of enterprises "bankruptcy is yet to be declared in a single enterprise and no worker has been laid off" (The Hindu : 8.10.97).

On the other hand, in India the concept of "self-reliance" has been given a deep burial. The Government itself is destroying the public sector, as lakhs of people are thrown out of jobs. How can there be the development of a country with crores of effective labour force remaining unemployed and under employed!

China leads the world in the production of rice, wheat, groundnut, tobacco, cotton, cotton fabrics, jute, coal, cement, rapeseed, meat etc., and is far ahead of India in the production of steel, power, oil, chemical fertilizers, etc.

The Chinese socialist economy is growing at the rate of over 9% per annum, during the last 10 years (fastest in the world) under the communist rule whereas it is not even half in India under capitalist rule. China's Gross National Product for 1997 is US \$ 1055 billion, whereas Indian's GNP is just US \$ 374 billion. China's foreign debt at US \$ 129 billion is just 8.7% of their exports whereas India's debt of US \$ 94 billion constitutes 24% of exports.

In China because of socialist development, peoples' purchasing power has gone up tremendously during the last 10-15 years especially with regard to consumer durables. Besides China's exports and imports have become essential for western capitalist economies. Therefore, even though ideologically and bitterly

opposed to socialism and communism, the American MNCs are forcing the US Government to accord Most Favoured Nation status to China to tap the huge Chinese market.

Even the bitter critics of communism in the West agree that poverty is just 6% in China today against around 52% in India. As against 2.2 million tourists attracted to India; China attracted 51 million tourists in 1996. That is planned socialist economy with necessary controls in China as against unplanned and uncontrolled capitalist economy in India.

The capitalist economists and their media in India blame increase in population for all the failures of capitalist system. They do not reveal that China with more population and less resources than India is today No. 2 in the world under socialist development. Communist China leads the world in satellite technology and has successfully launched more than 50 satellites so far.

The MNCs and their western Governments being helpless at the amazing economic progress in Communist China, are accusing China of violating 'patents'. Even though the Western MNCs are trying to distort the Chinese market and the American imperialism and their agents are trying very hard to divide China politically by encouraging Dalai Lama on religious grounds, they have been unsuccessful so far.

The contradiction is that a socialist country is able to provide the much needed purchasing power amongst its people to provide market to the MNCs, whereas a capitalist country like India could not provide either political security or purchasing power amongst the people to create a "market" for the Western MNCs.

The pro-capitalist politicians in Congress (I) and BJP; their economists, bureaucrats and media barons are filthy rich, selfish and accustomed to parasitic way of life. Almost all the Congress(I) and BJP MPs are multi-millionaires. Many of them run multi-crore private business and industries. They do not and cannot understand the ground realities of poverty, insecurity and deprivation, let alone solve the same. For these self-centred parasites who act for and on behalf of the Trans National Corporations, country means Sensex (share market) and development means more profits and appropriation of more public resources, assets and funds.

The import-export oriented, World Bank-IMF-WTO affiliated and corruption infested Indian capitalist economy is benefitting

and satisfying the luxuries of about 2% rich class at the cost of essentials to the rest of population. The treacherous transfer of economic resources in India in favour of local and foreign MNCs is a crime committed on poor and innocent Indian people by the capitalist class.

Man can unravel many mysteries of the universe, if only he is provided with security and other basic needs of life. But under World Bank-IMF-WTO affiliated capitalist system, especially after privatisation process, the entire human race (including the rich) is placed under insecurity of one type or the other. More than 90% of the people are saddled with seeking day-to-day livelihood. Fear of tomorrow haunts everybody in the capitalist system.

Natural calamities like earth quakes, landslides, cyclones, fires, accidents etc., can be tackled and science and technology can be developed for the welfare of humanity, only under a strong State Sector and active Government intervention. Profit oriented private sector always failed to come to the succour of the people.

The Need For Judicial Democracy

Due to increased corruption, law & order and social problems associated with the politics of privatisation, the Indian Judiciary came under tremendous pressures. Different Judges are trying to cope up with the problems differently. On the one side of the spectrum is judicial activism and on the other is judicial helplessness. In between, the accountability of Judges is being questioned by many on a number of issues.

The preamble of Constitution says that India is a "Sovereign, Socialist, Secular Democratic Republic".

After introduction of economic reforms by the Congress (I) Government, unbridled privatisation of National resources, National assets and public funds on the one hand and the weakening of the role of State (which only can protect the poor and weaker sections of the society) on the other, have erased all socialist pretensions in India. The fundamental right to "equality" has remained only on paper in the aftermath of money-oriented health, educational and employment policies.

While the Directive Principles of State Policy ban "concentration of wealth and means of production to the common detriment", the economic reforms and privatisation policies are creating private monopolies in every field. The judiciary did not help contain these trends.

In spite of the case being sub-judice, the unlocking of "disputed place" Babri Masjid in 1986 and holding Shilanyas at the disputed site in 1989 with the blessings of Supreme Court; and finally the demolition of Babri Masjid in 1992 - all aimed at creating deep divisions between Hindus and Muslims - did not disturb the conscience of Judges. Secularism as enshrined in the

Constitution remained a farce with more than 10,000 communal clashes/riots over the years. The judiciary on the whole remained a silent spectator when the country kept burning through the communal riots from time to time. The Courts did not play any positive role to prevent people from being driven to stone-age mentality by the capitalist political forces represented by the BJP and Congress (I). The slaughter of thousands of human beings either in the wake of 1984 anti-Sikh riots or 1989-93 anti-Muslim riots never perturbed the conscience of Indian legal luminaries.

The Supreme Court's definition of "Hindutva" as a way of life has further encouraged the forces which have been spreading religious hatred. Criminal actions committed under the shadow of religious bigotry got legitimacy and respectability.

All these events and judgments added up to stoke the fires of communal hatred further. If all the judgments of the Apex Court on communal matters are taken together, the needle points to the possibility that some Judges are wittingly or unwittingly implementing the policy of the capitalist-imperialist complex to make people hate, fight and kill each other on the basis of religion.

In the case of closure of industries in Delhi on account of pollution, the case was decided with exceptional urgency on the basis of a Public Interest Litigation without even allowing the trade unions to properly plead the case of workers. In Hawala case, the accused were discharged suddenly after the Judges delivered contradictory pronouncements. For disputes involving the Corporate houses or favourite politicians, the Judges held the courts even at their residences or on holidays and delivered the judgments within days. But for finalising the cases of ordinary litigants pending for years together, the matters go around different courts without any tangible results for years together. The Judges are either insensitive to the harassment meted out to the people involved in over 3,50,00,000 cases pending for years together or perhaps helpless.

In the early stages of Hawala case, the Supreme court Chief Justice JS Verma commented that: "If we are meant only for punishing people for petty offences and let the people go scot free who spend lakhs of rupees on birthdays, we better then close down the Court."

Quite paradoxically, Pandit Sukh Ram, Kalpanath Rai, and

the politicians involved in the Hawala case, Jharkhand Mukti Morcha bribery case etc., have managed to go scot-free.

Even while there was unaccounted for money of Rs. 1.61 crores in the banks in the names of Jharkhand Mukti Morcha MPs, the Supreme Court freed the JMM leaders of corruption charges holding that 'bribe givers' and not bribe-takers are offenders. This judgment rather amounted to declaring that bribe taking is a fundamental right.

In all these cases, the Courts pleaded helplessness on technical grounds and blamed the prosecution (CBI) for not providing enough evidence. How can the CBI working under conditions of "survival of the fittest" be "free" and how can it produce evidence in a situation of laissez faire corruption? These questions will remain unanswered in the judicial system created by capitalism.

The Indian Judiciary has so far not been able to punish any of those involved in high level corruption cases from Mundra deals to Hawala cases. On the other hand, some of the Judges allowed the Courts to become the last resort for scoundrals to obtain stay orders to subvert laws. The Judges, on the whole, could dispense punishment only to thieves of small things.

While none of the top level corrupt people was punished, the Delhi High Court sentenced 8 former employees of DCM, to imprisonment in April 1994, for raising slogans against the Judges alleging collusion.

Former Chief Justice of India, E.S. Venkataramiah noted: "Judiciary in India has deteriorated in standards because some of the Judges are willing to be influenced by lavish parties and whisky bottles It was hard to discard reports that every son/son-in-law of a Judge, whatever his merit/lack of it, can be sure of earning an income of Rs. 10,000/- a month. (Courtesy: Indian Post, December 17, 1989).

Another former Chief Justice of India, M.M. Punchhi stated that "Intellectual dishonesty would be a grave threat to the judicial system" (Courtesy : The Hindu - 16.3.98). Justice Punchhi further stated in a TV report on 25.8.98 that "Supreme Court lawyers want money, more money and more money".

Some people skeptically say that the Indian Judiciary has become an "instant washing machine" (Dhobi Ghat) for cleansing high level corrupt people. Some others say that "judicial strip-

tease" is going on in this country.

According to a MODE-STOI public opinion poll published in the Sunday Times of India dated 16.7.95, 80% respondents said that courts are often influenced by persons with money and power. 74% said that the common man cannot be confident of obtaining justice in the courts.

The Courts did little to protect people from illegal retrenchments, lock outs, violation of labour laws, closure of industries, unemployment etc., when approached with complaints. The Courts did not show the same enthusiasm to deal with problems of adulteration, hoarding and blackmarketing when compared with closure of industries on the pretext of pollution. The Judges concerned themselves with the problems of richer sections of the society only.

Under privatisation regime, the factories are being closed down and the workers are not being paid their legal dues. The contractors are circumventing the labour laws to deprive the workers of their rights. The labour departments especially in States ruled by Congress (I) and BJP are defaulters in the implementation of labour laws. If the workers go on strike in protest against the above anti-worker policies even after due notice, the strike is declared illegal and eight days' wages are deducted for each day of strike. If the workers want to demonstrate, the High Courts pass Injunction Orders. If the workers' Unions want to hold Dharnas, the police do not give permission. If the Unions give a call for Hartal, the Union leaders are booked and harassed under various repressive laws.

Now the Kerala High Court judgment, duly upheld by the Supreme Court, has deprived the citizens of the right to freedom also. The Judges banned expression of dissent and protests through Bandhs against privatisation and loot of national resources, assets and funds. The Judges have not allowed the success or failure of a Bandh to be decided by the "market" of people who are affected in terms of arbitrary increase in costs of essential goods and services; adulteration of even edible oil; privatisation of employment, transport, education, health etc; and judiciary's inability to protect them. People are left with no democratic remedy against pervading price rise, retrenchments, closures and unemployment; and judiciary's ineffectiveness.

When the private army of landlords killed 61 poor people in Bihar in 1997, what could be the form of protest? In 1967, forty-four downtrodden people were burnt alive by the landlords in Tamil Nadu and the Supreme Court ruled that the landlords did not have the "motive" to kill the poor. The Andhra Pradesh High Court acquitted all 94 accused in Karamchedu murder case - in which 5 Dalits were killed - stating that the Judges "find it impossible to separate the truth from falsehood". In Bhagalpur, the police criminally blinded around 80 persons for opposing the landlords and Mahants of the area. In 1984 in Bhopal, poisonous gas emanating from US multinational company Union Carbide killed over 2,800 people and permanently disabled lakhs of people. The entire Government machinery and the media worked on behalf of the US multinational company. The victims of the genocide are still running from pillar to post to get relief, even after 14 years. A documentary by Suhasini Mulay on the unparalleled human tragedy in Bhopal was not allowed to be screened by the then Congress (I) Government. Because of corruption, the industrialists involved in the murder of trade union leader Shankar Guha Neogi, have gone scot-free. What can be the form of protest by the people in all such cases?

By banning the Bandhs, the judiciary seems to be not worried about the plight and "fundamental right to live" of crores of people but is concerned about the fundamental freedom of a few. These "few", if they were honest in their conscience, should have supported the Bandhs against unjust and criminal society by sacrificing their "natural rights" for the day. The Judges unfortunately agreed with the view point of richer sections of the society only.

Enjoyment of "natural rights", fundamental freedoms and fundamental rights of a few are affected in the case of caste-communal riots and imposition of "curfew" also. These have become more frequent phenomena than Bandhs with the advent of caste-communal politics. What happens to the fundamental rights, fundamental freedoms and natural rights of the same rich people during curfews and caste-communal riots! These questions remain unanswered.

The Judges in their over enthusiasm to ban bandhs, jumped to the conclusion that Bandhs create violence but said very little about the State (police) violence on the protesters on every occasion.

In the case of Ban on Bandhs, the Judges held that "The State cannot shirk its responsibility of taking steps to recoup and of recouping the loss from the sponsors and organisers of such Bandhs. We, think that these aspects justify our intervention under Article 226 of the Constitution." But in the case of caste-communal riots, the "sponsors and organisers" even though identified by numerous Commissions of Inquiry over the years and the loss of life and property clearly visible, the Courts have been keeping silent. Rather such criminals who sponsored and organised caste-communal riots have been popularised by the Media.

In 1992-93 Bombay riots alone 900 people were killed and property worth about Rs. 4,000 crores had been destroyed. The Srikrishna Commission identified the culprits. But there is no intervention under Article 226 of the Constitution by any Court.

The judgments of the Courts on religious matters indicate that the Judges have totally condoned the criminal actions of sponsors and organisers of communal riots. In the Hawala case, the JMM MPs bribery case and the Karnataka Government employee case, the judgments put together, indicate that the Judges, wittingly or unwittingly, are condoning the corruption during the course of privatisation of economic resources and thus allowing the loot of National resources, National assets and Public funds. But, if the people tried to protest against the deprivation, corruption and privatisation, the Judges are threatening them with loss of jobs, contempt of court and enforcement of Article 226. This clearly shows the political bias of the Judges in favour of capitalist political forces.

The recent controversy over recommending appointment of 6 Supreme Court Judges and 100 High Court Judges, testifies the level of stakes, politics and corruption involved in the judicial hierarchy.

It is neither a problem of Independence of Judiciary nor Judicial activism. Even the proposed Independent National Judicial Commission may not retrieve the falling credibility of Indian Judiciary.

The need of the hour is Judicial Democracy where people directly elect the Judges. "Peoples Courts" should be constituted at all levels to clear the huge back log of over 3,50,00,000 court cases and also to try and punish the anti-national and anti-social elements in the corrupt society.

It is interesting to find that both BJP and Congress (I) being the agents of local and foreign MNCs and tools of privatisation programme, are supporting the ban on Bandhs, because they want to prevent political agitations over privatisation and the loot of National resources, National assets and public funds. The Judges are obviously helping these capitalist forces politically, by banning Bandhs.

Supporting the judgment on "Ban on Bandhs", the media say that "Bandhs" will deprive the poor of the "wages for the day". But where are the jobs for the poor to get wages? Are the Media not aware that more than 15 crores of people are either unemployed or underemployed in this country? The poor people of this country must thank the capitalist media for at least accepting the fact that if they do not work even for a single day, they cannot get the livelihood. The rainy seasons, hot summers and cold winters always deprive the poor of the "wages for the day". The royal parasites on the society cannot understand this truth.

The Future Is Socialism

It can be summarised that the privatisation programme being vigorously implemented by Congress (I) and BJP, jointly and severally, on behalf of the local and foreign MNCs has liberalised and globalised corruption. The privatisation policy has resulted in the transfer of huge National resources, National assets and public funds into the hands of local and foreign MNCs. The privatisation of services and creation of Contractor Raj has created serious unemployment and under employment problems for the people.

The privatisation of economic resources of the country has caused amongst people increased poverty, disease and illiteracy, reduced purchasing power and decreased protection from Government. The wealth of the nation and health of the people are getting rapidly eroded.

The devaluation, withdrawal of subsidies and privatisation under Economic Reforms witnessed sky-rocketing of the prices of essential commodities and raised the costs of health, education, transport etc. But the wages, salaries and incomes are not increasing correspondingly. Monopolists on the other hand have been able to earn huge profits for themselves.

The privatisation programme was instrumental in the spurt of serious law and order problems because of widening gap between the rich and the poor.

The privatisation programme aimed at capitalist consolidation has neither the mandate of the people nor is it in favour of vast majority of the people.

There is a vast demand for food, housing, clothing, medical facilities, education and so on, if only the people possessed the needed purchasing power. That purchasing power can be created only through all round development, productive jobs, land reforms

and equitable distribution of wealth with active State intervention.

In order to defeat the privatisation of economic resources and the political and economic slavery associated with it, the Left forces represented by CPI(M), CPI, RSP and Forward Bloc will have to be strengthened both inside and outside Parliament. The tactics and strategies of working in between two, three or more capitalist political alternatives will have to be understood. In isolation, the Left Parties cannot advance. The current bureaucratic set up which is closely linked to capitalist-imperialist complex needs to be overhauled so that the politics of this country are oriented to benefit the toiling masses. The distortions and manipulations by the media will have to be understood by the people and exposed. Intelligentsia of the country has a special responsibility in this regard.

The capitalist political parties represented by Congress (I) and BJP often propagate through the media owned by their mentors, that communism and socialism are out-dated ideology and quote the example of Soviet Union. This is not true. Even after the disintegration of Soviet Union and set back to Socialism, the communist ideology is alive, kicking and the communists are getting strengthened every where.

In China, unprecedented socialist development is taking place under the leadership of Communist Party.

In Russia, the communists could have won the Presidential election but for the rigging, bribery and malpractices in counting indulged in by President Yeltsin. After 1991, in all the erstwhile socialist countries like Poland, Hungary, Romania, Bulgaria, Cyprus and Albania, Communists have come back to power. Even in many capitalist countries like France, Italy, United Kingdom, Belgium, Greece, Netherlands, Portugal, Austria, Sweden, Denmark, Ireland, Finland, Luxembourg and Morocco, the people have voted for Centre-Left forces including socialists and communists. In many Eastern countries like Japan and South Korea the communists have improved their strength after 1991. In India the communists head three State Governments.

It can be seen that the people all over the world have been voting for a socialist alternative but the bourgeois leadership is corrupted and bought over by the MNCs. The only exception is, of

course, the collective communist leadership.

In France and Italy lakhs of employees and people have protested on the streets against privatisation and loss of jobs; and paralysed the Governments. In South Korea 60,000 workers participated in a rally to protest against increasing lay offs.

In Israel, 7,00,000 workers struck work paralyzing the Government in protest against privatisation. In Germany lakhs of students took out huge demonstrations in Bonn, Berlin, Frankfurt and other towns in protest against cuts in education subsidy. Another 1,00,000 people took out a huge procession demanding restoration of communist rule.

Even in America, the people are protesting against the capitalist-imperialist complex which enslaved them with a huge debt of over US \$ 6.00 trillion (Rs. 2,40,00,000 crores). More than 10 lakh American people protested on the streets against the war on Iraq. More than 20 lakh women demonstrated against racial discrimination and suppression of their rights in America.

But the media including BBC and CNN who act on behalf of capitalist-imperialist complex, black out all such inconvenient information. They distort and manipulate the news to misguide the innocent people.

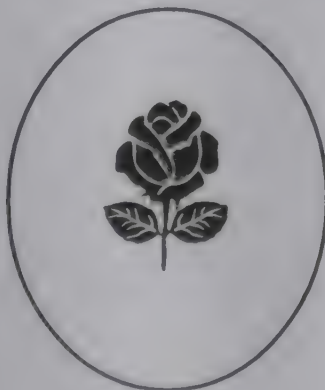
The capitalist consolidation through privatisation of economic resources has not made people in India to live with dignity. According to United Nations Development Programme (UNDP), India with second largest manpower on earth and vast resources occupies 139th rank in Human Development Index of the world.

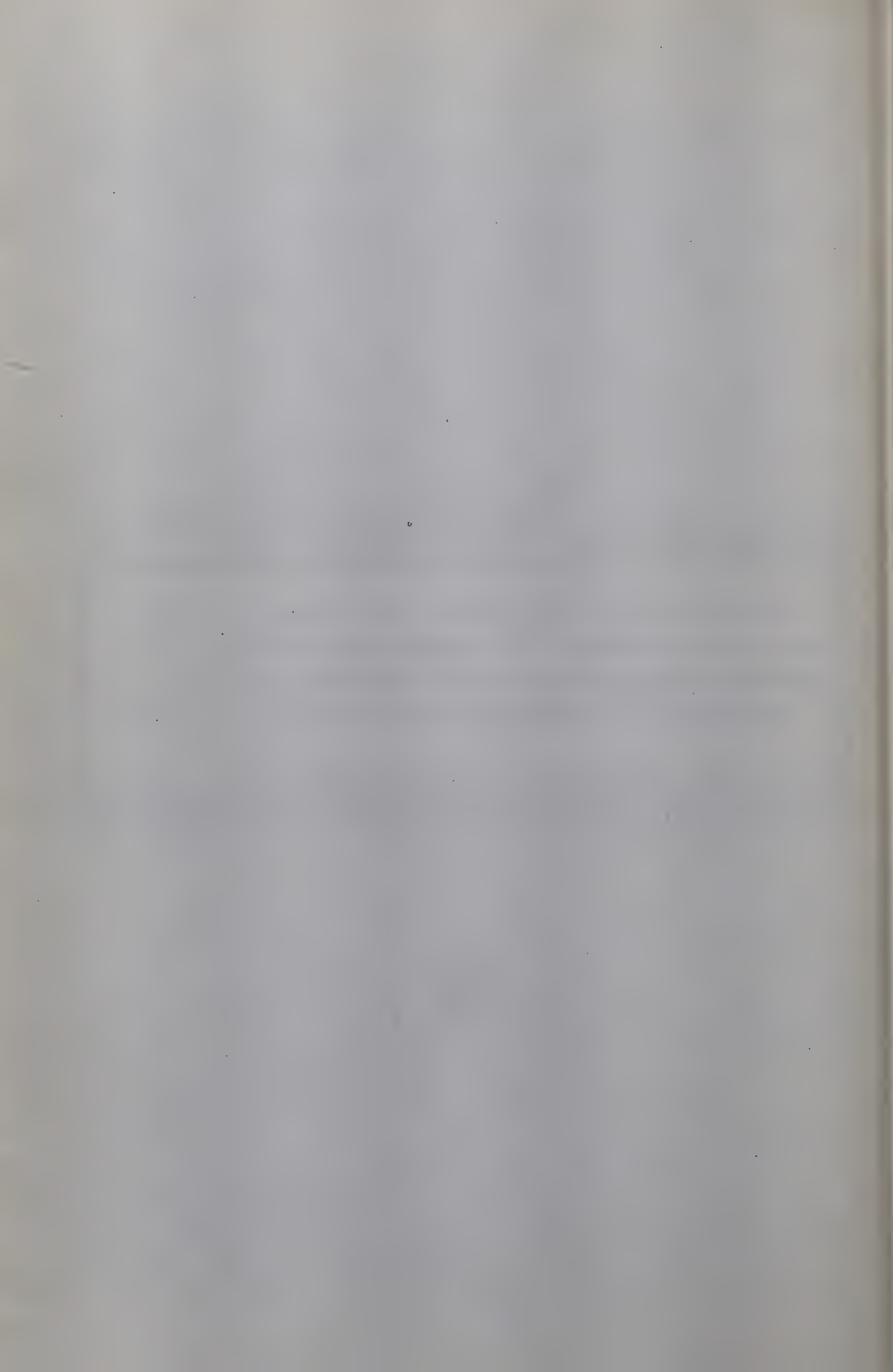
The assassinations of Indira Gandhi and Rajiv Gandhi and the way the political-economic control of the country later on shifted into the hands of foreign and Indian MNCs, conclusively prove that the vulnerable, corrupt and individualistic leaders of Congress (I) or BJP, the bureaucrats and the Judges cannot withstand the guiles of financially and politically powerful foreign and Indian Multi National Corporations. Only a collective leadership under the communists, can guide the Nation and the people.

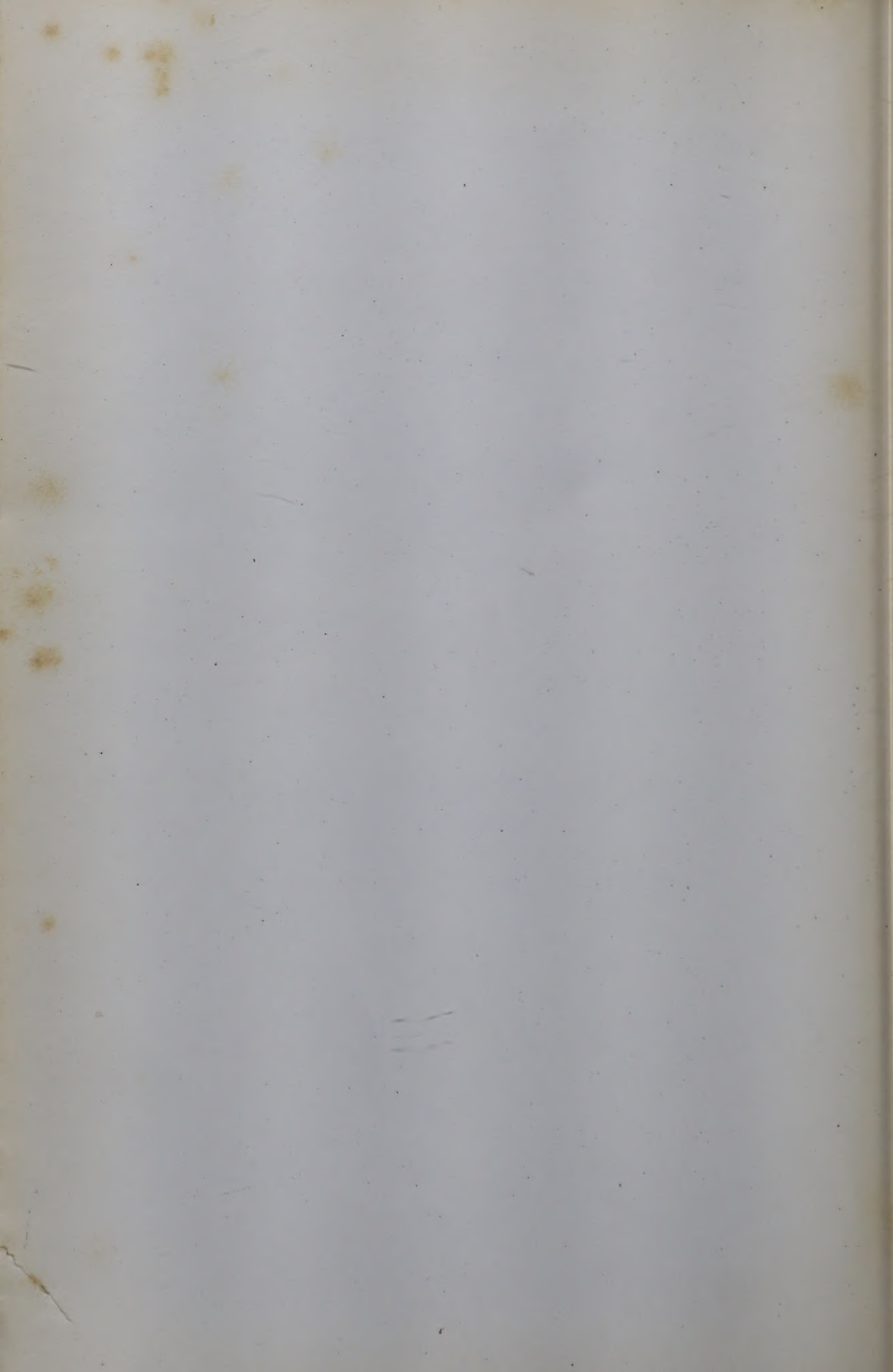
To sum up, one cannot escape the conclusion that the Congress (I) and BJP who in the main are implementing the privatisation programme for and on behalf of Indian and foreign MNCs, in order to appropriate the Nature-given resources to the detriment

of vast majority of people, will have to be defeated both inside and outside Parliament and the Leftist forces represented by CPI(M), CPI, Forward Bloc, Revolutionary Socialist Party etc., will have to be strengthened by all means in order to change the politics of the country that will pave the way for human equality, human dignity, peoples' democracy and socialistic pattern of society in India.

**Dedicated to all those who were victims
and who continue to suffer innocently under
poverty, deprivation and caste-communal riots
imposed by capitalist-imperialist complex**







Privatisation of the public sector means privatisation of public resources, public assets, public funds, public employment , public transport, public distribution system (rationing), public services Government schools, Government colleges, Government hospitals and so on.....
India is on Sale.



Because of the "divide and rule" politics of BJP-Congress(I) nexus large sections of Indian people today are engrossed in hating, fighting and killing each other on the basis of religion, caste, sub-caste, region and language, while their miseries are aggravated by the privatisation politics aimed at loot of National resources, National assets and public funds.

